

A U.S. Spy Left Out in the Cold

Man Who Helped Catch Soviet Agent Says FBI Lied to Him

By Margot Horblower
Washington Post Service

NEW YORK — A Guyanese computer student who worked with the FBI to trap Gennadi F. Zakharov, a Soviet employee at the United Nations who was trying to turn the student into a spy, surfaced publicly Monday, complaining that he had been underpaid and mistreated by U.S. agents.

"I was promised rewards, lots of money, a good resume, medals, good job recommendations, but those things never materialized," said Leakh Bhoge, who is unemployed and living in a basement apartment in a Brooklyn studio.

Mr. Zakharov's arrest on a sub-way platform in Queens, just after Mr. Bhoge had handed him an envelope containing three classified documents, ignited a superpower dispute that led to the arrest in Moscow of a U.S. journalist, Nicholas Daniloff, and later a swap of Mr. Zakharov for Mr. Daniloff.

Mr. Bhoge, 30, said at a news conference at Queens College that he had planned about becoming a James Bond-type spy but had discovered that the job was far from glamorous.

A Federal Bureau of Investigation spokesman, Joseph Valicentino, declined comment, saying, "It is not FBI policy to reveal the identity of informants or double agents." The government has identified its operative as a Guyanese graduate student at Queens College but has refused to give his name.

Mr. Bhoge's story, as told at the press conference and to a writer for New York magazine — which on Monday published a long account of the espionage episode — confirmed that the FBI went to ex-

traordinary lengths in August to catch Mr. Zakharov in an open act of espionage shortly before he was to return to the Soviet Union.

This effort came after the FBI had spent years watching Mr. Zakharov develop Mr. Bhoge as a potential agent. During that time, the bureau had to cajole Mr. Bhoge to stick with its program and paid him more money than Mr. Zakharov did to continue working as a double agent, by Mr. Bhoge's account.

Mr. Zakharov, a physicist working at the United Nations without diplomatic immunity, was arrested Aug. 22.

A week later, agents of the Soviet KGB seized Mr. Daniloff, the U.S. News and World Report correspondent in Moscow, after he received an envelope from a Soviet acquaintance. The Soviets charged Mr. Daniloff with espionage, and after a tense confrontation, Mr. Reagan agreed to release Mr. Zakharov on Sept. 12, and Moscow agreed to release Mr. Daniloff the same day.

Mr. Bhoge, one of eight children of a Guyanese farm worker who emigrated to Brooklyn in 1977, said he decided to tell his story because he felt "bitzer" about his treatment.

At the news conference, Mr. Bhoge said he was paid \$20,000 by the FBI over three and a half years, and \$10,000 by Mr. Zakharov, which he gave to the FBI. After reading of the lucrative book and lecture deals negotiated by Mr. Daniloff, he said he asked the FBI for more money and was promised "\$100,000 in installments" by Dan Snyder, one of his FBI handlers.

Mr. Snyder resigned on the signed agreement, Mr. Bhoge said, and, in October, after the interview,

Soviet Dismisses Spy Allegations

United Press International

MOSCOW — A Soviet Foreign Ministry spokesman dismissed on Tuesday allegations that KGB agents, using sexual favors as a lure, recruited as spies two U.S. Marine guards at the U.S. Embassy here.

The spokesman, Gennadi I. Gerashimov, also said that the order to withdraw the embassy's 28 Marine guards for security reasons was "a defeat of the famous U.S. Marines."

Mr. Gerashimov said at a news conference that the Kremlin was sorry to see the marines leave and that officials had to smile at the implications that the U.S. guards were unable to withstand the charms of blonde spies.

A U.S. Embassy spokesman had no comment on the decision to withdraw the guards stationed in Moscow and replace them with a fresh group in a move described by U.S. officials as a "precautionary action."

Earlier in the news conference, Mr. Gerashimov denied allegations that a diplomat in the Soviet Embassy in Paris had operated a spy ring in France that sought information on European space technology. He termed those allegations "totally absurd."

The justices, without comment, refused Monday to hear an appeal by two persons convicted of such activity in Texas. Both received prison sentences.

John B. Elder, director of a refugee sanctuary in San Benito, Texas, and Stacey Lynn Merkt, a volunteer at the shelter, were convicted of conspiring in 1984 to transport illegal aliens within the United States. Mr. Elder has served a six-month term in a half-way house; Ms. Merkt, who is pregnant, is serving a 179-day jail term.

another wave of repeated allegations of Soviet spying."

Hartman Comments

Earlier, Stephen Engelberg of The New York Times reported from Washington:

Arthur A. Hartman, the departing ambassador to the Soviet Union, said Monday that he believed the young, unmarried Mr. Marine guards at the embassy in Moscow should be replaced by a more mature force less susceptible to temptation.

His comments came as the State Department and the Marine Corps announced that all 28 marines at the embassy were being recalled. They will be replaced by other marines in April.

The State Department said that the move was precautionary and that none of the marines now in Moscow had been implicated in the espionage cases against Sergeant LoneTree and Corporal Brady.

Mr. Hartman, who was ambassador from 1981 until this month, said he had no idea about the latest cases of Marine fraternization with Soviet women.

Meanwhile, administration and congressional officials said the embassy in Moscow had been slow to respond to warnings that it was vulnerable. One official on Monday described it as "porous."

Mr. Hartman said the embassy had been vigilant about security. "But something bad has happened here and we have got to find out what happened," he said.

Soviet Population Grew 1%

Reuters

MOSCOW — The population of the Soviet Union grew 1 percent last year, reaching 281.7 million on Jan. 1, Tass said Tuesday.

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AMERICAN TOPICS

Reagan Library Plan Seen as Litmus Test

The uproar continues at Stanford University over the planned Ronald Reagan Presidential Library to be built on a knoll overlooking the main campus. The Washington Post reports: A rendering by the architect, Hugh Stubbins, made the library look like the most prominent structure on campus. Joggers who frequent the knoll circulated a petition against the library. Planners then produced photographs of the site from the bottom of the knoll, with a rendering of the library showing it barely peeking above the trees. "And they'll be planning more sites," said Charles G. Prima, head librarian of the Hoover Institution also on the California campus.

Martin C. Anderson, secretary of the library foundation and a former Reagan adviser, was less conciliatory. He indicated that the project was timing out to be a litmus test for people's feelings about Mr. Reagan himself. "I'm waiting for the day," he said, "when someone stands up and says, 'I support the policies of Ronald Reagan, but I still have some objections to the library.'"

Short Takes

Huge starting salaries put too much pressure on young lawyers and the firms that hire them, some experts argue. Leading New York firms now pay \$65,000 to start, and bonuses are set so that will soon go to \$80,000. The New York Times reports. But some lawyers question whether high starting salaries mean an inordinate amount of specialization. Such beginners have to be used "as efficiently as possible," said Klaus Apple, a partner in a New York firm. "They don't always get as good an education as a well-rounded lawyer should get. For example, I can't invite a young lawyer to watch a negotiation or listen to a deposition because of the need to make his hours productive."

Insisting that it is not just an April Fool joke, Dolly Hecht swears on the complete works of Victor Hugo." The New York Times reports in its Metropolitan Diary column, that she overheard this conversation in a Manhattan bookstore:

Hurrying customer: Where can I find "Les Misérables?"

Harried clerk: Try the psychology section.

— ARTHUR HIGBEE

Clinton Murchison Jr., Ex-Millionaire And Founder of Dallas Cowboys, Dies

The Associated Press

DALLAS — Clinton W. Murchison Jr., 63, the Texas businessman who was a founder and former owner of the Dallas Cowboys professional football team and who built an inheritance into one of Texas' largest fortunes only to lose it, died Monday night.

Mr. Murchison had been debilitated by a degenerative brain disease. He had been hospitalized for about two weeks.

The Murchison fortune, begun by his father, Clinton Murchison, a wheat oilman, was increased by the younger Murchison to an estimated \$250 million. But it was undercut by high interest rates, the

Prem's Popularity Drops

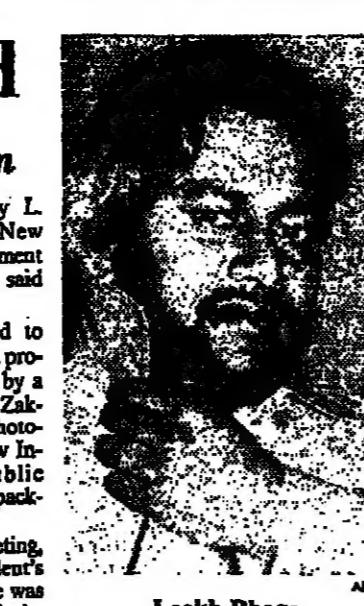
Agence France-Presse

BANGKOK — Prime Minister Prem Tinsulanonda of Thailand is less popular now than at any time during his seven-year rule, a survey showed Tuesday. The popularity of Mr. Prem, who is expected to face a no-confidence motion when Parliament reconvenes Wednesday, was down from 66 percent when he became prime minister in 1981 to 36 percent during the first half of March, the survey showed.

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Leakh Bhoge

U.S. Court Rejects Sanctuary Case

The Associated Press

WASHINGTON — The Supreme Court has left intact a ruling that the criminal prosecution of members of the American "sanctuary movement" who aid illegal aliens from Central America does not violate religious rights.

The justices, without comment, refused Monday to hear an appeal by two persons convicted of such activity in Texas. Both received prison sentences.

John B. Elder, director of a refugee sanctuary in San Benito, Texas, and Stacey Lynn Merkt, a volunteer at the shelter, were convicted of conspiring in 1984 to transport illegal aliens within the United States. Mr. Elder has served a six-month term in a half-way house; Ms. Merkt, who is pregnant, is serving a 179-day jail term.

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OPINION

INTERNATIONAL
Herald Tribune

Published With The New York Times and The Washington Post

Yen Up, Dollar Down

While the quarreling over trade got louder two weeks ago, the Japanese yen rose higher than ever, and the U.S. dollar resumed its long decline. It was a signal. The hugely unbalanced flows of trade between America and Japan are not going to be straightened out by protectionist trade bills and litigation. The remedy is going to be the exchange rates. If both countries stick with their present policies, it seems probable that the dollar will keep falling for a while and the yen will keep rising.

Governments no longer have control over exchange rates. They often talk as though they had, but that is merely a case of cultural lag. Last week's events demonstrate the point. Last month the big industrial countries agreed to try to hold the rates more or less where they were. When the dollar fell to a price of 150 yen, they began intervening — that is, these governments sold yen and bought dollars to try to hold the prices stable. It was a massive, carefully coordinated effort by the richest and most powerful of the trading countries. They succeeded in slowing the fall, but by the end of the week the dollar was selling at 147 yen. That would have been a significant drop even in the absence of intervention.

The Japanese are complaining bitterly about the rising yen and the damage it is doing to their exports. But you have to ask: What did they think was going to happen?

— THE WASHINGTON POST.

Greeks and Turks

In the last few days, Greece and Turkey, NATO members and formally allies, went through some of the motions of preparing to go to war. In a way it was a symbolic exercise to which others paid brief attention only by way of satisfying the would-be combatants' pride. Still, it could have got out of hand, and the basic situation remains bad.

Optimists hoped that the traditional rivalry of Greeks and Turks would yield to anti-Soviet cooperation when the two nations joined NATO. But in the larger security bestowed by the alliance, both have felt free to continue indulging their rivalry.

In the current instance, the hot question is the exploitation of resources in disputed waters of the Aegean. The answer that both countries accepted in 1976 was not to force the issue unilaterally. Andreas Papandreou, elected prime minister of Greece in 1981, let that agreement lapse. Recently Greece made a move interpreted in Turkey as a determination to begin unilateral Greek drilling. Turkey responded with a move toward unilateral Turkish drilling. Mr. Papandreou escalated politically by freshening his familiar attack on American base rights. Muscles were flexed, but over the weekend calm returned.

It would be good if Turkey and Greece could negotiate their dispute. The Turks, though, have often been unbending, especially

— THE WASHINGTON POST.

Other Comment

Cynical Protectionism

Politicians playing the seductive tunes of protectionism to the gallery of public opinion received a loud raspberry [on Monday] from the financial markets. There could scarcely have been a more graphic demonstration of the perils of restraint on trade than the stock market jitters around the world. Nothing is more upsetting than the possibility that the strong growth in world trade might be interrupted by a trade war.

In January the United States was tempted by the protectionist bludgeon to try to obtain faster progress in reducing its deficit with the European Community and with West Germany in particular. In the last few weeks it has picked up the same weapon against Japan over microchips. Treading the tightrope of trade restrictions is a dangerous exercise. A policy intended as a bargaining counter can undermine international confidence and lead to the very inhibition of world trade which it is designed to break down. Everyone loses from protectionism. So far this truth seems to be clearer to financial markets than it is to politicians.

— The Times (London).

Cynically, the Reagan government has been conducting a policy for the past two years of "competitive devaluation of the dollar," aiming, through an exceptionally large depreciation, to discourage imports and stimulate exports. It has reached the point today of threatening to start a trade war with Japan. This is an admission of failure that could have high costs not only for the nations directly involved but for the entire international community.

Fearing the implementation of the "retaliatory measures" being readied by Washington to punish the Japanese for exceeding agreed limits on semiconductor sales to the United States, the financial markets took a brutal plunge at the beginning of this week.

The dramatic drop in prices was all the more impressive as the startling prosperity of the financial markets, in contrast with the mediocre performance of the economy, becomes harder to pass off for anything but what it is: an unhealthy phenomenon illustrating a major diversion of savings away from productive investments and toward more remunerative financial placements.

Meanwhile, the indefinite fall in the dollar has led central banks to apply the brakes

Too Lax on Spying

The world's great and small powers spend billions of dollars annually on technological means for collecting intelligence. But high-tech spying still has not eliminated the most ancient tools of espionage. Sex, money and appeals to personal grievances remain potent lures in enlisting spies.

The latest case involves allegations that Soviet intelligence was able to penetrate the inner sanctums of the U.S. Embassy in Moscow. One marine guard at the embassy has been charged with abetting those intrusions in 1985 and 1986. Another is under suspicion. U.S. officials fear that Soviets were able to enter top-secret communications facilities and to identify CIA sources in the Soviet Union. One official describes the intelligence losses as "horrible."

The American system rejects the notion that anyone with access to highly classified information must be kept under constant suspicion. But recent cases raise the most disturbing questions about laxity in protecting secrets. Counterintelligence can never be foolproof. But where U.S. efforts to control Soviet recruitment of U.S. agents are concerned, it can be a lot better.

— The Los Angeles Times.

Hong Kong's New Press Law

Almost all Hong Kong news organizations, in unaccustomed unity, have opposed the press law passed in mid-March. Critics accuse the government of conspiring with Beijing to tame the Hong Kong press in preparation for 1997, when sovereignty over the territory will pass to China.

At the heart of the law is a clause making it a crime to publish "false news which is likely to cause alarm to the public or a section thereof or disturb public order."

Critics argue that this is far too vague, and the government replied by promising to use the law with discretion and restraint. But the journalists ask what good that guarantee will be after 1997.

— Jamie Robertson, a British free-lance writer, for South-North News Service.

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America's 'Japan Problem' Is Japan's Problem, Too

By Hobart Rowen

WASHINGTON — President Reagan took a popular step when he slapped a punitive tariff on \$300 million worth of Japanese electronic goods. The American public was ready to punish the Japanese. And the step will be cheered in Europe, South Korea, Southeast Asia and elsewhere as an overdue response to Japanese import barriers.

But Mr. Reagan's retaliation through punitive tariffs involves big risks in a relationship with a major ally. It looks like a surrender to the protectionist-minded among his advisers who see the Democrats coming out ahead in an election year's Japan-bashing sweepstakes.

The risk is not only the encouragement

given to other industries — and other countries — tempted by the crutch of government protection against competition from abroad. The even bigger danger is that the American public will be swept into believing that the trade deficit can be wiped out, and lost jobs restored, by additional "tough" actions against Japan, Taiwan, South Korea, West Germany and other countries that have trade surpluses with the United States.

Although intended to deflect even harsher congressional action, Mr. Reagan's move — abandoning his previous strong commitment

to free trade — could backfire, giving new incentive to hard-liners like Representative Richard Gephardt.

Ostensibly triggered by Japan's alleged failure to stop selling microchips below cost, Mr. Reagan's action was in reality a shot across the bow expressing general frustration over America's "Japan Problem."

The microchip accord, an effort to fix the price of a commodity in excess supply, was doomed to failure from the start. But Japan's leaders should have known for a long time that something would touch off the accumulated trade frustrations: No sovereign nation could forever contemplate a bilateral \$60 billion deficit, or global red ink of \$170 billion. The major remedy, from Japan's side — boosting its domestic economy while reducing a slavish devotion to exports — has long been evident, promised and unapplied.

Japan has had enormous economic success at a time when America and Europe have been unable to compete in many areas. Harvard's Professor Ezra Vogel remarked a year ago in Foreign Affairs that future historians may see the mid-1980s "as the time when Japan surpassed the United States to become the world's dominant economic power."

So long used to being number one, some Americans assign Japan's success entirely to unfair methods, copying, cheating or stealing trade secrets. Japan may be guilty on some or all of these counts, but there are also American failures — to manage the economy, to match Japanese quality performance, to improve the educational system, to reduce management-labor confrontation, to curb a propensity to consume rather than save.

On his Sunday television show, ABC commentator David Brinkley, welcoming the punitive tariffs, grumbled: "All of the things that Japan sells us we've invented here." But

the real question is this: If Americans did invent such things as television technology, robots and other high-tech products, why have they not been as successful as Japan in developing and marketing them?

The West belittles Japanese creativity, even though Japanese achievements in technology, art, fashion, architecture and literature have been stunning. Only someone with his head deep in the sand would fail to understand that the "Japan problem" for the United States is less that the Japanese are "unfair" and more that they have done their homework, including spending what is necessary for civilian research and development.

The first commercial robot was marketed in the United States in 1958. It was not until 1967 that Japan bought its first robot from an American company. Yet Japan now produces each year about as many robots as the rest of the world, and its schools annually graduate (in absolute numbers, not relatively) 50 percent more electrical engineers than do schools in the United States.

So Japan is doing something right. Americans consumers vote every day with their dollars.

None of this is to say that Japan's mercantilist trade policy is acceptable. Japan has benefited from open markets elsewhere, yet has tried to buy as little from abroad as possible, especially in manufactured goods.

Japanese officials have been warned for years by their American friends that they cannot stand pat and complain that they are being punished for their success. They should have heard the same message from the "wise men" in their own establishment, as laid out in the Mackawa report that urged a shift from an export-oriented economy. If Japan does not move promptly in this direction, its future relations with the United States are sure to be determined less by the Reagan team and more by the Gephardts in Congress.

The Washington Post.



The Members Are Cheating and GATT's Watchdog Is Toothless

By Brigid Gavin

GENEVA — For the first time, GATT has been given a surveillance role over the trading practices of its member countries. On Jan. 28 it was agreed in Geneva to set up a mechanism to monitor the "standstill" and "rollback" commitment by trade ministers from 92 countries at the GATT meeting in Punta del Este, Uruguay, last September which launched a new round of trade negotiations.

The ministers pledged, "commencing immediately and continuing until the formal completion of the negotiations," to take no new protectionist measures and to dismantle existing measures that are illegal under GATT rules. They also agreed to regular monitoring of trade policies.

GATT has been walking backward into multilateral surveillance since its last ministerial meeting in 1982. Unfortunately, what has been put in place is a toothless tiger, a passive procedure that leaves the GATT secretariat little more than the role of messenger boy between member governments engaged in clandestine, collusive and often illegal trade practices.

The "standstill" and "rollback" commitment is diplomatic jargon referring to GATT's large and burgeoning

document shows 93 VERS. The European Community has 53 such arrangements, the United States 27, Japan 23 and South Korea 12.

The VERS is essentially an instrument for circumventing the law, international as well as national. It avoids protest by the restrained exporting country. The illusion that international rules have not been broken may thus be preserved.

For the restrained country there is an economic attraction: the VERS allows the exporting firm to effectively form a cartel. Monopoly profits from the cartel arrangement (a workable one, since enforced by the government) are highly attractive to major exporting firms.

Two standard types of VERS have become common, and both have a coercive effect on the rule of law.

The first occurs when there is serious injury or an alleged threat of serious injury to domestic producer through imports. The U.S.-Japanese agreement on automobiles illustrates the bending of the law on both sides of the transaction.

In 1981 the U.S. International Trade Commission conducted an

investigation that found no evidence of serious injury to the domestic automobile industry from Japanese imports. So the United States had no legal mandate to negotiate with Japan. Negotiate it did, nonetheless — but the result was presented as a "unilateral" decision on the part of Japan to restrain its exports.

The Japanese acquiesce because a VERS allows the exporting firm to set a price above the competitive export price. The firms can agree among themselves on market shares and prices in the slice of the market which they have been guaranteed. They effectively form a cartel.

Article 9 (2) of the Japanese Constitution requires that international treaties entered into by Japan shall be faithfully observed. GATT is a valid treaty for Japan, and its rules prohibit quantitative restrictions on exports as well as on imports, in general, and discriminatory restrictions a fortiori.

A second typical VERS occurs in cases of alleged subsidization or "dumping." Exporters are exposed to the threat of countervailing duties. They fear investigations of these practices because their planning is paralysed while the investigations last, and because the legal costs of

defense are high. Both the EC and the United States have relatively new procedures which give quick relief: A VERS will terminate the investigation.

This practice has replaced the classical GATT remedy and implies a departure from a fundamental principle of legal procedure. Punishment (restraint) is meted out and accepted before guilt is established.

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The new surveillance mechanism in GATT allows the secretariat to count VERS but not to comment on them. This is not enough. When the major GATT contracting parties absolve their responsibility as guardians of the treaty, it falls upon the secretariat to guard the guardians. To play this role, it needs a mandate to monitor what is going on. Otherwise, gray-area measures will multiply and law remain unmodified.

The writer, who worked with the EC delegation to GATT from 1981 to 1985, is conducting research on GATT at the Graduate Institute of International Studies in Geneva. She contributed this comment to the International Herald Tribune.

Around the World, a Much-Maligned Press Needs a Champion

By Jonathan Power

wan, after a yearlong government campaign, opposition publications have disappeared from newsstands.

In Singapore, the government has intimidated and indirectly censored the foreign press. Time magazine and The Asian Wall Street Journal were placed under severe restrictions. This was a serious matter for Western newspapers that have, or are planning, Asian editions with satellite transmission to local printing plants.

Singapore had seemed an ideal alternative to Hong Kong, which reverted to Chinese control in 1997. In Malaysia, the Parliament passed a law in December prohibiting the publishing of secrets. But the term "secrets" was not defined.

Indonesia last year expelled some foreign journalists and refused to admit others traveling with President Suharto. In Thailand, the press is severely restricted.

In India, the press basked in post-Marcos euphoria, erupted into 21 very independent dailies. Indeed, most of them were reluctant to support any government position.

But the press in Latin America faces serious pressure. In Mexico, four journalists were murdered last year. The Nicaraguan government closed the opposition paper La Prensa as well as the independent Roman Catholic radio station.

In Chile, the press, which was severely restricted, has been allowed to flourish again. Eleven Latin American countries now license journalists, a concept the democracies in UNESCO have vigorously opposed.

In Paraguay, the government killed the second journalist in Chile last year.

In Paraguay, the government stepped up its attack on the news media. Several journalists, some of them foreign, were beaten and jailed.

The post-Duvalier government in Haiti has generally eased the pressure on the press, but it requires journalists to be licensed. Eleven Latin American countries now license journalists, a concept the democracies in UNESCO have vigorously opposed.

In Africa, the major setback was the introduction of full censorship in South Africa. Elsewhere in Africa, the control of information remains firmly in state hands, with notable exceptions like Senegal and Nigeria.

In the Soviet Union and Eastern Europe, the press continues to be severely restricted. Nevertheless, the Soviet media are clearly opening up, and in Poland and Hungary, underground publications flourish without too much obstruction from the state.

As Leonard Sussman, director of Freedom House, the New York human rights organization, puts it, "The harassment of journalists has become a creative art." Last year, he said, 39 countries banned newspaper and radio stations. In 31 countries, journalists were beaten.

OPINION

Sad Stories About Greed, Betrayal and, Yes, Bigotry

By Tom Wicker

NEW YORK — In the eye of the storm that disturbs and threatens the United States's highly profitable television ministries, the Reverend Jerry Falwell urges their devoted followers not to "let Satan win the day."

In federal court, Robert A. Anderson, 77, whom Dwight Eisenhower once tried to promote as his successor in the White House, pleads guilty to income tax evasion and to participating in illegal operations of a Caribbean bank.

Is there a connection? One obvious link between these sad stories is greed. Within the suddenly revealed world of the TV evangelists, charges are flying that the Reverend Jimmy Swaggart is trying to take over the cash-flowing PTL enterprises of the troubled husband-and-wife preaching team of Jim and Tammy Faye Bakker. Mr. Bakker concedes paying \$115,000 — either in "blackmail," as he says, or in "a legal settlement" as others put it — to a woman with whom he had a one-night stand seven years ago.

Meanwhile, another of these men of video cloth, Marvin Gorman, sues Mr. Swaggart for \$90 million for allegedly spreading word about a Gorman sexual fling eight years ago. A North Carolina woman is suing Mr. Falwell for \$75,000 she says her 82-year-old mother, a victim of Alzheimer's disease, was pushed to contribute to the Falwell ministry, which once included the politically active Moral Majority.

That is to say nothing of the millions, largely unaccounted for, that some of the reverends raise every year — as if greed were not one of the least Christian of human sentiments. It can only have been greed, too, that led Mr. Anderson, a rich man in the twilight of a distinguished career — secretary of the navy, deputy secretary of defense, secretary of the Treasury — to break the law to accumulate more wealth than he really needed.

Another obvious connection is the violation of trust involved in both cases — not least the faith in Mr. Anderson that President Eisenhower so often and generously expressed. And all the TV spellbinders demand of their vast audiences not just faith in God but the most elemental trust in the preachers themselves, as purveyors of truth and rectitude.

A third similarity between the scandals of televised evangelism and the Anderson confession may not be so obvious, or at least admitted — that neither God nor Satan nor professed righteousness had anything much to do with either. God did not "allow" nor Satan "force" Mr. Bakker to indulge in sex outside his marriage. Mr. Bakker decided that for himself, and never mind his broadcast piety — just as Mr. Anderson, despite his high reputation for probity, made up his own mind to defraud the government and his fellow citizens.

Mr. Anderson will pay a high price for his crimes, possibly including, even at his age, a jail term. Mr. Bakker, whose offense is not exactly unheard of, and Mrs. Bakker, who is undergoing treatment for prescription drug addiction — again, not uncommon — apparently have lost control of their lucrative PTL empire. Some of the other television preachers may have to pay civil damages, or at least heavy legal fees.

So greed, breach of faith and false pretensions will be punished in both cases. But the greatest offense in either will go unpunished, if the dazzled audience for televised religiosity retains faith in its propagators. That offense is the narrowness, exclusivity and lack of charity — the bigotry — of their message.

Not all, but enough of the TV preachers to warrant the charge, teach one true way — not just the acceptance of Jesus Christ as savior, but the one true way of worldly living rigidly prescribed: heterosexuality only, and only within marriage; maintenance at all costs of the traditional family — father at work, mother in the kitchen, short-haired children — saying "No" to drugs — regardless of how troubled and personally damaging the arrangement may be; political conservatism; the virtues of affluence; the damnation of liberals, welfare recipients, non-Christians and sometimes Catholics; denunciation of any government effort to protect the rights of individuals — particularly from religious bigots.

From these "ministries," despite their constant appeals for modesty, all too little is heard about racism, hunger, the poor and the homeless, tolerance of dissent and differences, personal generosity, or the universal brotherhood and sisterhood of all mankind. Jesus washed the feet of the poor and set no political tests for his followers; but that example seldom provides the text for prime-time preaching, which thrives instead on bigotry disguised as Christianity.

The difference now is scale. Television has so widened the arena that it takes \$100 million a year to ante for the game. There is not much difference in preachers, then and now. It is just that television has blessed today's crop with a megamarket, turning America into a small town with all its sordid complexity and capacity for extreme kindness with cruelty.

— Syndicated columnist Jim Fenn.

Gantry's Successors

THERE is nothing new about the blandness of evangelism. Literature is full of it, as witness Elmer Gantry and Sadie Thompson. My father was a Methodist circuit rider in Georgia who moonlighted as a revivalist. I don't remember a time when one of the brethren was not involved in scandal, usually incorporating choir singers and communists.

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— Syndicated columnist Jim Fenn.

**LETTERS TO THE EDITOR****For Now, a Thoughtful Soviet Leopard Would Be Enough**

Regarding "The Time Has Come to Reject the System Itself" (March 24) by *seven dissident Soviet emigres*:

I tried. The Soviet system is flawed, even in Soviet eyes, but has Russia ever known better? Mikhail Gorbachev is no Abraham Lincoln, but Vladimir Lenin had a harder task than did George Washington. Maybe Mr. Gorbachev has some of the charisma of Lenin or the pragmatism of Richard Nixon or the political competence of Margaret Thatcher.

While hoping and working for real justice and real peace, we shall likely to (over)simplify the confusion and promote clarity and energy for action. Russia before 1917 was not a developed Western democracy that Marxism-Leninism subsequently corrupted. Marxism, intended for industrialized Germany, was used by Lenin to change Russia.

Soviet ideological teaching about "class enemies" and "heroic struggles" between proletariat and bourgeoisie frightens and offends Western liberal sensitivities, including mine. Clearly the world of 1987 is not that of 1848. But many Americans have problems with notions like absolute private property rights, raw capitalism and a ruthlessly free market. It took the United States a decade to extricate itself from a war in distant Vietnam. Thousands sleep on doors on cardboard in rich, modern American cities. Even relatively secure America has difficulty altering its behavior and criticizing its myths.

Our present democratic system is imperfect but better than anything else ever

the Aegean is made to seem to be due to this strange Greek attitude.

That presentation obliges me to remind you what international law and practice provide in the matter. According to them, islands all over the world have their own continental shelves in precisely the same way as do continents [see articles 1 and 6 of the Convention on the Continental Shelf adopted in 1958 in Geneva, and article 121 of the UN Convention on the Law of the Sea of 1982]. International practice has confirmed this rule repeatedly. That is why Turkey has never signed these major treaties and obstinately refuses to accept the Greek proposal to submit the issue to the arbitration of the World Court at The Hague.

It becomes evident that the Aegean dispute is not due to any Greek claim, but exclusively to Turkey's pretension, against law and practice, that Greek islands of the Aegean should alone in the world not have continental shelves. CHRISTOS ROKOFYLLOS, Ambassador of Greece, Paris.

Law and the Aegean Dispute

Regarding "Greece-Turkey Dispute Over the Aegean Easement" (March 30):

Alan Cowell reports that "Ankara challenges Greek claims to dominance based on its 2,500 islands" in the Aegean Sea. Moreover, he writes that "Turkey asserts that its continental shelf extends into the Aegean, but Greece says that its islands, some within view of the Turkish coast, all have their own continental shelves." Your readers are thus invited to understand that Greece has formulated an extravagant claim by insisting that its numerous islands have their own continental shelves, and the dispute over

A President Who Can Laugh Makes His Capital Healthier

By David S. Broder

WASHINGTON — On Monday night in America, television audiences watched as the NCAA final settled the supremacy of men's college basketball and the Academy Award ceremonies determined the best picture and best acting honors for the year. And last Saturday night, official Washington came as close as it ever does to settling scores.

A ritual has evolved for "settling" important matters in a psychological sense.

MEANWHILE

It happens at the Gridiron Dinner, where journalists share four hours of eating and entertainment with the people in government and politics whom they write about the other 364 days of the year.

The Gridiron Club has been around for 102 years. For the last 13 (to make my bias clear) I have enjoyed being one of its reporter-members. But it is only in the last six years that those of us who dress up in silly costumes and perform in satirical skits have begun to recognize the serious function that this annual dinner fulfills.

The reason for this change can be stat-

ed in two words: Ronald Reagan. As the Gridiron president, James McCartney of the Knight-Ridder Newspapers, said in welcoming Mr. Reagan to his seventh straight dinner, "You know, as we do, that it is a precious thing that we can kid each other and have good fun together."

Not all presidents have understood this. Lyndon Johnson, Richard Nixon and Jimmy Carter could not forget, even for a few hours, that they despised the journalists in the room. The tension left an uncomfortable edginess to their remarks and even the bluntest of our songs.

But Ronald Reagan grasped from the first that this was an occasion for celebrating the healthiness of the critical relationship that inevitably exists between press and government — and for laughing away its ugly overtones. He has captured the point so well that almost every other politician in town has got it straight.

House Speaker Jim Wright of Texas, a Democrat who suffers from a reputation for self-righteousness, confessed Saturday that he and his party could be accused of inconsistency. "For six years," he said, "we went around saying Ronald Reagan didn't know what was going on. And now when he says the same thing about himself we say he's lying."

Vice President George Bush recounted a conversation that he had with President Reagan early in the administration. "Will you support my policies whatever they are?" the president asked. "Oh, absolutely," Mr. Bush said.

"But my friends tell me you have strong convictions of your own," Mr. Reagan said. "Absolutely," Mr. Bush replied. "I have very strong convictions, but I don't always agree with them."

The master showman proved to be Mr. Reagan himself. He took on each of his supposed weaknesses — his age, his memory, his distaste for hard work, his domination by his wife, his inattention to detail — and laughed them away. If anyone thought he was bent, let alone broken, by the troubles that have visited his administration, he had a message. "Remember the flap when I said 'We begin bombing in five minutes'? Remember when I fell asleep during my audience with the pope? Remember Birthing Boy, those were the good old days."

After reciting the painful prostate procedures, the cancer surgery and the assassination attempt that he has survived since coming to the presidency, he remarked with just the right tone of irony, "And I've never felt better in my life." The wave of laughter and applause that swept the room was more than admiration for his grace and wit. It was saying: "We remember, too. And we're glad."

There will be time, and need, to revisit the issues of the Reagan presidency. But having one night to laugh together, and having a president who will lead the laughter, really helps.

— The Washington Post

NO SURPRISE.

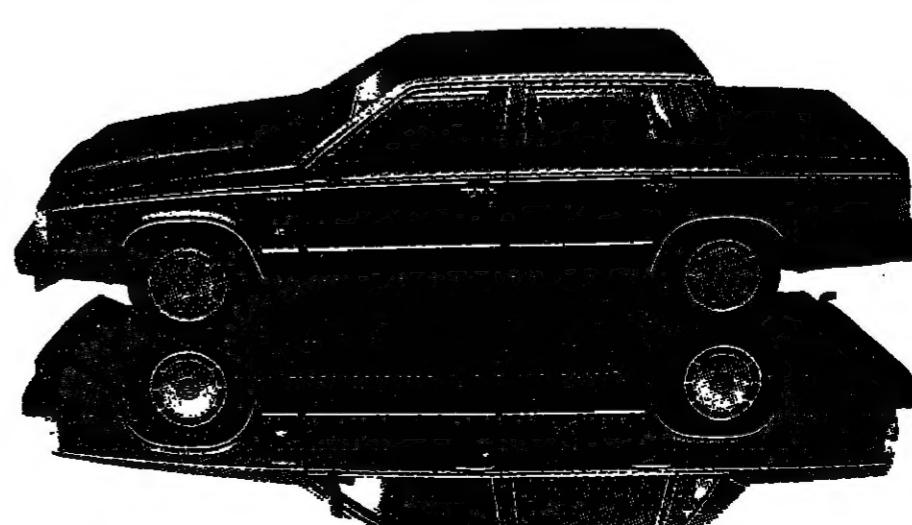
There are moments in your life when the least you need is a nasty surprise. Like when you turn the key at five on a freezing February morning. Or when you hit a hairpin bend just a bit too fast. Or a stray dog seems too valuable to ignore. Or fierce braking saves your life when overtaking a truck just before the crest.

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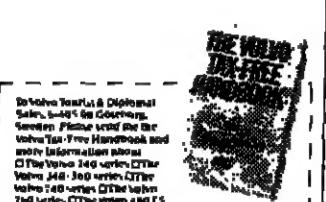
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Salvador Base Attacked; U.S. Adviser Is Killed

Compiled by Our Staff From Dispatches

EL PARASO, El Salvador — Leftist guerrillas killed 43 soldiers and a U.S. military adviser, the first to die in Salvadoran combat, in a pre-dawn attack Tuesday on a major army base in northern El Salvador.

Military officials said seven guerrillas died in the assault. The army said 43 soldiers were killed and 35 were wounded. Among the injured was the base commander, Colonel Gilberto Rubio, who suffered scratches and burns on his face and arms and whose right hand was bandaged. The guerrillas' clandestine radio had said the commander was killed in the attack.

The rebel front said it killed or wounded 300 soldiers, captured 200 others and seized a large amount of arms and equipment. The news agency Salpresa, which is based in Mexico City and has ties to the Salvadoran left, said the attack was the most important of several on Tuesday in different parts of the country. There was no immediate confirmation of any other rebel attacks.

(AP, UPJ)

Violetta Seina, who allegedly had an affair with a Marine guard in Moscow.

A small black and white portrait of Violetta Seina, a woman with dark hair and a serious expression.

GLASGOW: Closing of Caterpillar Factory Clouds the Future for Workers

(Continued from Page 1)

a Brussels-based spokesman for Caterpillar's European operations.

Such explanations are little comfort to the protesting workers of Glasgow.

"When Caterpillar told us last September that it was investing \$2 million in the plant, I thought my future was secure," said Mr. Shieles, who is among the workers occupying the plant.

A U.S. Embassy spokesman confirmed that a U.S. soldier died in the attack. He said the slain American was a sergeant.

Another American adviser, Lieutenant Commander Albert Schaefferberger, was shot and killed on May 26, 1983, while waiting for a friend at the Central American University campus in San Salvador.

Four marine guards from the U.S. Embassy in San Salvador were killed along with two U.S. civilians in a rebel attack on an outdoor cafe in the capital on June 19, 1985.

But the sergeant killed Tuesday was the first of the 55 U.S. military advisers in El Salvador to die in combat in the seven-year war between the rebels and troops of the U.S.-backed government.

The attack appeared to be the biggest since June 1986, when the

duction of the D6H tractors at the site to current levels of 1,5 vehicles per day from peak levels of 10 per day in the 1970s.

Inside the cavernous plant, formerly Britain's largest manufacturing facility under one roof, not much appears to have moved since the occupation began.

Two tractors stand on the assembly track, mechanical robots from Italy reveal unattached wiring, scores of IBM personal computers sit atop unoccupied desks, candy and coffee machines blink "empty." Workers stand around a pool table in the lounge.

"I think management is in for quite a shock when they come back here to see the plant the same as it was when they left it," said Mr. Shieles, with a tinge of pride in his voice. "All they have to do is push the 'go' button, and we're in business."

The workers who occupy the plant in shifts of 200, demand that Caterpillar leave the plant intact with its high-technology equipment, enabling the site to continue producing spare parts, if not the tractors themselves. The other alternative being urged is that Caterpillar sell the factory whole to another construction-machinery maker.

"The company has said it is prepared to sell the land, the building and some of the equipment in the Uddington plant if a buyer can be found," said a company spokesman, David Crozier, in Glasgow, "but we're unwilling to sell the plant lock, stock and barrel. There are no prospective buyers that I'm aware of."

Caterpillar, which has rejected requests for talks by the workers while the occupation continues, is

Moscow Staffs Recall a Striking Brunette

By Philip Taubman
New York Times Service

MOSCOW — The Soviet woman who lured a U.S. Marine Corps guard into a spring plot left some indelible memories at the U.S. Embassy in 1986.

The government routinely assigns Soviet employees as service workers to foreign embassies and foreign residents in Moscow.

The U.S. Embassy declined to provide information about Miss Seina.

"Violetta was a presence," an American said.

She worked for the embassy from late 1984 to early 1986, first as a receptionist at Spaso House, the ambassador's residence, then as a secretary in the embassy office that clears household goods through customs for diplomats.

Miss Seina, 26, was dismissed as

part of a general cutback of Soviet employees by the United States that preceded the Soviet government's own decision to remove all Soviet employees from the embassy later in 1986.

The government routinely assigns Soviet employees as service workers to foreign embassies and foreign residents in Moscow.

The U.S. Embassy declined to provide information about Miss Seina.

"Violetta was a presence," an American said.

After leaving the U.S. Embassy, Miss Seina worked as a secretary at the Irish Embassy, but left that job recently, an Irish diplomat said.

American investigators have said that the spy case first came to the government's attention in December when Sergeant Clayton J. Lonetree, a Marine guard at the embassy from September 1984 to March 1986, reported that he had had an affair with Miss Seina.

Another Marine guard, Corporal Arnold Bracy, recently told investigators that he and Sergeant Lonetree working together, had repeatedly allowed two Soviet agents into the embassy at night and let them inspect sensitive areas, including the communications center.

According to press reports, Corporal Bracy had an affair with an embassy employee who worked as a cook.

The Soviet authorities declined to say whether Miss Seina was currently employed or where she lived.

One official said she was still associated with the Foreign Ministry's Administration for Services to the Diplomatic Corps, which serves foreign residents' needs.

Five Russians, part of the contingent that was withdrawn from the embassy in October, discussed her in interviews on Monday.

They described her as a person

MOSCOW: Arms Cap Is Cited

(Continued from Page 1)

"She asked me questions about my family background, life in America and how I liked living in Moscow. We walked and talked for two hours, after which she went home and I returned to the embassy. We agreed to see each other again. I suggested to her that she should try to come to some of the parties that are held in the embassy or other official establishments."

Sergeant Lonetree said he saw her again in November at a Marine Corps ball.

It is generally assumed among Western residents that the Soviet employees assigned to them by the Foreign Ministry are expected to make reports about their whereabouts.

Until October, the U.S. Embassy employed nearly 200 Soviet workers for a variety of chores, including driving, translating, cooking and booking travel and entertainment tickets.

The embassy allowed them access only to offices that were not involved in secret work, but some of the Russians such as Miss Seina were free to mingle with Americans at work and at social functions.

Both British and Soviet spokesmen said that the talks between the two leaders often were combative, and a British official said that voices had been raised. "We both believe in frank speaking," Mrs. Thatcher said Tuesday, "and we had plenty of that."

Mrs. Thatcher has repeatedly emphasized that she did not come to Moscow to negotiate arms control issues with Mr. Gorbachev, but rather to listen and to better outline Western positions, particularly those of Western Europe.

Much of their conversation reportedly focused on what Mrs. Thatcher identified as a joint desire for early completion of an agreement on medium-range nuclear forces in Europe.

In Tuesday's news conference, Mrs. Thatcher said that the West had to assure itself, through adequate verification procedures, that the Soviet Union would abide by an accord.

Both the Soviet Union and the United States last week identified the short-range missile question as the main obstacle to an agreement on medium-range weapons.

The West has insisted that the removal of medium-range systems — missiles with a range of 600 to 3,000 miles (about 970 to 4,850 kilometers) — would leave a 9-1 Soviet superiority in missiles with a range of less than 500 miles.

The Soviet Union maintains that negotiations on removing medium-range systems — including U.S. Pershing-2 and cruise missiles, and Soviet SS-20s — should be conducted independently of any other weapons categories.

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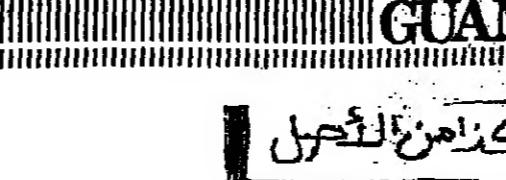
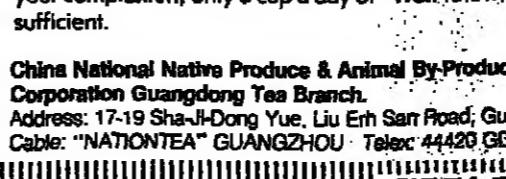
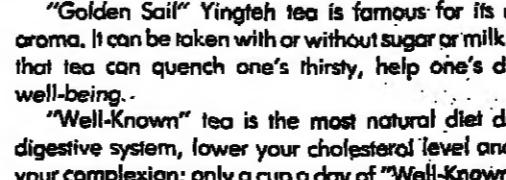
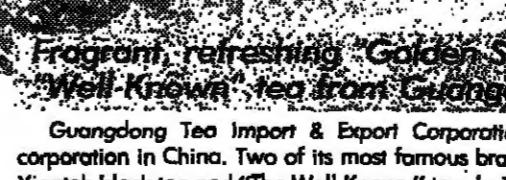
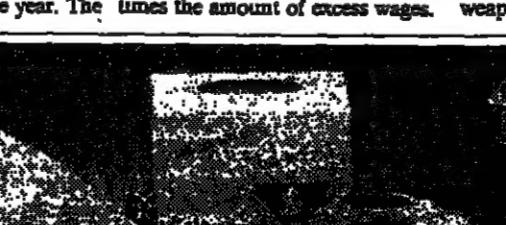
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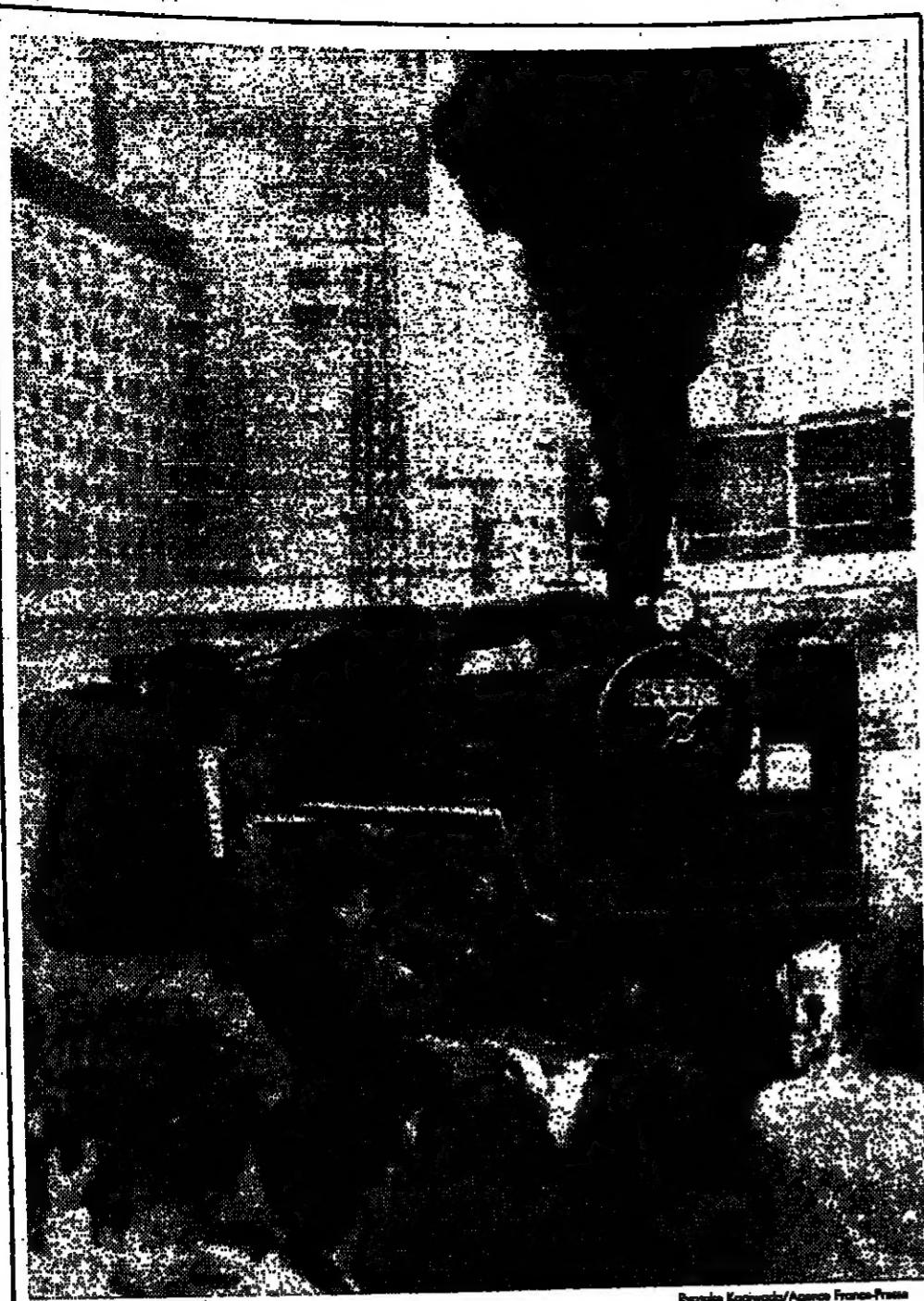
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JULIUS



JAPANESE RAIL ERA ENDS — One of the last trains to be operated by Japan National Railways, founded 114 years ago, making its run Tuesday in Tokyo. Passengers took advantage of low-price tickets as the government system neared shutdown. \$250 billion in debt. Starting Wednesday, six private companies are to run the trains.

France Expands Aid, Diplomacy in South Pacific

By Michael Richardson
International Herald Tribune

NOUMEA, New Caledonia — France, facing opposition in the South Pacific to its nuclear testing program and its efforts to retain control of strategically important islands, is expanding its aid programs and diplomatic presence in the region.

Officials here and in Paris say that the South Pacific territories play a key part in sustaining France's independent nuclear deterrent and role as a world power.

The territories are part of a global chain of French possessions that would provide tracking, communication and recovery bases for an ambitious satellite and space vehicle program, for military and civilian uses beginning in the early 1990s.

The officials also argued that a French presence was essential to maintain regional stability and prevent encroachment by the Soviet Union and Libya in the South Pacific, an area that has been a sphere of Western influence since the end of World War II.

U.S. and British officials have said privately that French aid to its South Pacific territories is irreplaceable and that a long-term French presence in the region is in the interests of the Western alliance.

However, analysis said they did not think France's new policy of expanding its aid and diplomatic contacts in the South Pacific would quickly break down regional hostility.

The waters surrounding the South Pacific territories and those of other French possessions are considered by scientists to be rich in fisheries and undersea minerals.

Exclusive economic zones surrounding the three French territories in the South Pacific — New Caledonia, the Wallis and Futuna Islands, and Polynesia — cover 2.7 million square miles (7 million square kilometers) of ocean and seabed.

These zones, when added to those of the French territories in the Indian Ocean and the Caribbean,

put France among the world leaders in offshore areas claimed.

Amid pressure from separatist groups and regional governments opposed to nuclear testing, France has intensified its diplomacy.

Gaston Flosse, secretary of state for the South Pacific in the conservative government of Prime Minister Jacques Chirac, arrived in Western Samoa late last week.

Officials said that he would visit Pacific island capitals regularly from Paris to meet leaders and explain policies.

Mr. Flosse was the head of government in French Polynesia until January when he accepted the new post.

He said recently that he wanted to correct the image of France as an "arrogant power" and provide more aid to smaller island nations in the Pacific.

French aid efforts also are expanding. Later this year in Tahiti, the main island in French Polynesia, and in Noumea next year, France will open a University of the South Pacific. It will offer admission to non-French speaking students from the region.

France also has offered to make its technical and scientific skills in tropical agriculture, oceanography and other areas widely available.

Indian Says Gravitation Led to Launch Site Errors

Agence France-Presse

NEW DELHI — India's main space launching site, where a rocket carrying a satellite crashed shortly after being launched March 24, is unsuitable because of major gravitational variations, a leading scientist was reported as saying Tuesday.

Scientists have not determined the reason for the crash, but Dr. Ram S. Srivastava told the United News of India that the gravitational anomaly had caused other rockets launched from the Sriharikota center in southern India to deviate from their paths. The site, he said, is in the zone of "the greatest gravitational anomaly in the world."

The 11 are Papua New Guinea, the Solomon Islands, Vanuatu, Fiji, Nauru, Tonga, Western Samoa, Kiribati, Tuvalu, Niue and the Cook Islands.

They have asserted that by continuing to test nuclear weapons in the Pacific and withholding independence from New Caledonia, France was contributing to regional unrest and creating opportunities for outside interference.

At a meeting in Wellington, New

Zealand, last month, ministers from the forum reaffirmed their view that "independence for New Caledonia is inevitable and desirable" and said they would seek talks with France on the issue.

The French defense minister, André Giraud, said last month that France intended to continue underground nuclear blasts at Mururoa despite regional opposition because the tests were essential for maintaining an independent nuclear deterrent.



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Hong Kong Paper Reports China Removed Reform-Minded Security Chief

BEIJING — The Public Security Ministry declined on Tuesday to comment on a Hong Kong newspaper report that its minister had been demoted.

The pro-Beijing Hong Kong newspaper Wen Wei Po said Monday that Ruan Chongwu, 53, had been moved to the State Scientific Commission after only 18 months as public security minister.

Mr. Ruan has been outspoken

against corruption in the police force and has pledged greater openness in police affairs.

If confirmed, it would be the biggest personnel change in Chinese politics since the removal of Hu Yaobang from the top Communist Party post in January.

"I do not have the authority to confirm this piece of information," a ministry spokesman said of the reported removal of Mr. Ruan.

The spokesman added, "According

to China's Constitution, a cadre of ministerial rank should be appointed and dismissed at the suggestion of the prime minister as well as approved by the National People's Congress, but so far the NPC has not made such a decision."

The National People's Congress is China's nominal parliament.

"A minority of officers, forgetting they must serve the people, are arrogant in their work, corrupt, re-

sort to torture during interrogation or bend the law for the benefit of relatives and friends," the Chinese press quoted the spokesman as saying.

Also Tuesday, Prime Minister Zhao Ziyang told observers to the National People's Congress from Hong Kong and Macau that a drive against "bourgeois liberalism" or Western political ideas, would not develop into a major political movement.

Plot on Mao Mausoleum

A Hong Kong magazine said

Tuesday that a Chinese man was arrested for trying to blow up the mausoleum of Mao Zedong in Bei-

jing. Reuters reported from Hong Kong.

Zheng Ming, an independent monthly, quoted Chinese public security officials as saying the man was arrested in January after he acted suspiciously while waiting to see Mao's crystal coffin.

It said in its April issue that

security officials later found 10 grenades in the man's attache case.

The magazine did not identify the man.

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Resistance to Taiwan Reforms

Some Say Plans Go Too Far, Others Say Not Far Enough

By Patrick L. Smith
International Herald Tribune

TAIPEI — After a year of unusual political ferment, a program of reforms initiated by President Chiang Ching-kuo of Taiwan is meeting unexpected resistance, according to foreign analysts and local political sources.

Opposition to Mr. Chiang's reforms, which are intended to modernize Taiwan's political system, has forced the administration to delay implementation of several measures considered key to the success of the president's effort.

These include the removal of martial law regulations that have been in effect since the ruling Kuomintang, or Nationalist Party, fled mainland China just before the Communist victory in 1949.

The government is expected to announce this week that plans to lift martial law and replace it with new national security legislation will be deferred at least until June. The change was previously scheduled to take place by the end of March.

The opposition Democratic Progressive Party, which gained 23 legislative seats in elections in December, views the planned reforms as an effort by the ruling party to keep its authority intact. It has blocked the proposed national security bill in the legislature, for instance, contending that it is too comprehensive.

At the same time, conservatives within the Kuomintang and many government officials have opposed amendments to the legislation or a loosening of other long-established regulations, according to sources in the ruling party.

The president now appears to be placing greater emphasis on changes of personnel in both the Kuomintang and the government. Party members taken this to efforts several years ago by Deng Xiaoping, China's paramount leader, to rid the Beijing government of anti-reformists.

In effect, the president and his supporters are caught in a political bind: They are under increased pressure from those who assert that

Mr. Chiang's liberalization measures are inadequate and those who believe they have been pushed too far, too quickly.

As a result, the leadership faces what many political observers view as a potentially harmful loss of momentum. "Politics like these should be pushed through quickly and firmly," one Kuomintang official said of the reform package. "What is happening now is obviously not a good sign."

In initiating a series of political changes last year, Mr. Chiang sought to defuse mounting pressure for democratic change from Taiwan's island-born majority, which has been denied an effective political role since the Kuomintang established its authority on the island.

Mr. Chiang, who is 77 and in poor health, also was anxious to ensure the stability of a society whose affluence has hastened its political evolution.

Apart from the removal of martial law restrictions, the president

also indicated that he would make the island's three legislative bodies more representative and give greater autonomy to provincial and municipal governments.

Earlier this year the government also announced that it would remove longstanding limits on the number of newspapers that are published on Taiwan and on the size of the 31 dailies that are already licensed.

In many respects, the transformation of Taiwan's political environment is already apparent. The government now displays increasing tolerance toward its critics, local analysts say, and it has accepted the new opposition party even though it remains illegal under martial law.

Mr. Chiang is not expected to reverse the course he has set for Taiwan. However, many influential Kuomintang leaders are reacting defensively, according to party sources, to the first organized political challenge they have faced in 40 years.

Anxious to avoid a split in the ruling party, Mr. Chiang is seeking to win over his conservative opponents — many of whom are among his closest associates — rather than confront them with political ultimatum.

Thus, the liberalization of press regulations, like the lifting of martial law, has been postponed until later this year. Reform of the legislature no longer appears to be on the ruling party's current agenda.

At the same time, Mr. Chiang has already begun elevating reformists to senior party positions. Earlier this year he appointed two prominent younger officials as deputy general secretaries.

More important, he is now widely believed to be planning substantial cabinet changes within the next two months. Many analysts expect the shuffle to open the way for speedier changes.

"Chung seems to think that the present cabinet is incapable of handling the situation that has developed since the December elections," said one political commentator.

Frankly, the air force screwed it up," Mr. Aspin said in a news brief.

For nearly a month, the committee chairman, Les Aspin, Democrat of Wisconsin, said Monday that he believes the low-flying bomber will never reach the full capability advertised by the air force.

"Frankly, the air force screwed it up," Mr. Aspin said in a news brief.

Information on visits by these specialists is available from U.S. embassies and consulates or from the IRS in Washington.

They are increased efforts to educate overseas Americans on the special tax provisions applying to them, stepped-up enforcement aimed at those who refuse to comply with those provisions, increased examination of the returns of foreign-owned businesses in the United States, and new research to identify other problem areas.

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Mr. Woodard said, the IRS is sending specialists trained to provide tax assistance to 85 cities in 52 countries. They will provide advice to individuals or groups of overseas taxpayers who request it.

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In addition, Mr. Woodard said, the IRS is working to expand and improve the tax information it gets from some of the 37 nations

IRS Moves to Enforce Tax Law Compliance By Americans Abroad

By Robert C. Siner
International Herald Tribune

WASHINGTON — The Internal Revenue Service announced new efforts Tuesday to ensure that Americans abroad understand and comply with the U.S. tax laws.

Perry P. Woodard Jr., an IRS assistant commissioner for international tax matters, said that compliance with international provisions of the tax code is poor and announced four measures to deal with the problem.

The agency also plans a 25 percent increase in the number of international tax examiners to provide increased scrutiny of the returns of foreign-owned businesses in the United States. Mr. Woodard said studies are under way to determine just where areas of non-compliance are.

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In addition, Mr. Woodard said, the IRS is working to expand and improve the tax information it gets from some of the 37 nations

with which the United States has bilateral tax treaties.

This includes developing a common format for tax information and working out agreements under which simultaneous tax examinations can be conducted with the tax agencies of another country.

To date, the IRS can carry out simultaneous examinations with the tax agencies of Canada, France, Britain, Italy, Japan, Norway and West Germany.

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ARTS / LEISURE

Eavesdropping on the Lion of Judah

By Robert Cushman
International Herald Tribune

LONDON — We do not see many new plays about kings, at least not about contemporary kings. Hardly surprising, since there are so few to write about. But it leaves a hole in modern drama. It is good to have a protagonist whose

THE LONDON STAGE

fate is bound to the fate of a nation and who goes through life with that responsibility. He does not even have to be a good king: If he falls, the most rabid republican will be interested and may even be moved. There is built-in pathos when a man with a mission is forced to relinquish it. Richard II wanted to sit on the ground and tell sad stories of the death of kings. He knew, in every sense, what he was talking about.

At the Royal Court Upstairs we are given an unusually strong dose of modern royalty in "The Emperor." This is billed "by Ryszard Kupuscinski." In fact Kupuscinski wrote a book, a collage of eyewitness memories of the long reign of Haile Selassie of Ethiopia, and these have been reassembled for the stage by the playwright Michael Hastings and the director Jonathan Miller and distributed among five actors.

None of them "plays" Haile Selassie, though each of them gets a turn at speaking his reported words. The tone of Miller's production is, for most of its length, coolly comic. The imperial regime is depicted as government-by-informer; the set consists mainly of doors, we are constantly aware of everybody

eavesdropping on everybody else. A speaking actor will have another actor leaning curiously on his shoulder, sometimes they all threaten to fall over like a pack of dominoes.

All this is witty done, and when it threatens to become monotonous Miller usually has something up his sleeve. We are told that Addis Ababa became a city full of ears, and we expect to catch glimpses of them behind the doors. Instead we find ourselves gazing at a pair of feet.

But the show only moves into top gear in its last sequences. First, there is a satiric treatment of the court's consternation when the world's journalists fly in to draw attention to the famine: How dare they? Then, after the emperor's deposition, it becomes extraordinary. The cast includes a severely disabled actor, Nabil Shaban, his legs no more than stumps. We see him as the diminutive Lion of Judah, being read to from the Bible and repeating the more encouraging

phrases with a sort of sepulchral hopefulness. He still believes in himself, and because of this the dignity of monarchy remains about him. It may be absurd, but the theme of the fall from high places remains as potent as ever.

I did register a certain energy, and a high frenzy rate, but from Churchill (who wrote the innovative "Cloud Nine" and "Top Girls") and from her director, Max Stafford-Clark, here below his usual standard of lucidity, that is not enough. There is amiable work from Alfred Molina (a bit fuzzy at the last preview) as a visiting American fixer, and a good display of predatory female aggression, 1980s style, from Lesley Manville. But the acquisitive fury that the play condemns and celebrates is only captured in one performance, by the ferret-faced Gary Oldman — and in blunt scabrous song lyrics by Ian Dury — that makes a wild conclusion to the play's first act.

The main fault of "Serious Money" is shared by the off-Broadway musical "March of the Fakir" at the Albery: Its words are not up to the task that is set for them. This is the story of Marvin, his divorced wife, their young son, Marvin's male lover, and the wife's psychiatrist and eventual second husband (How Manhattan, I think we are meant to ask, can you get?).

It is all about relationships, ab-

stract things that need to be made complete. That is the task of song lyrics always, and William Finn's, though by no means terrible, are not up to the job. A show that needs teeth is all gums.

The production comes from the Library Theatre in Manchester, in recent years a hotbed of American musicals, including the British premieres of three shows by Stephen Sondheim. It is a stylish job, style here meaning perspicuous sets and (from Roger Haines) nifty and logical direction. The singing is first rate, not a word lost or a note muffed in a tricky score, and there are two prime performances, Martin Smith's Marvin, flesh on a dramatic skeleton, and Barry James' Mendel, the psychiatrist, vocally and physically twitchier than any of his patients. James, who was Seymour in London's "Little Shop of Horrors," is cornering the market in musical neophytes, though Mendel is a genius-chump where Seymour was just a chump's chump.

Odd: The show, which seems more intelligent than "La Cage aux Folles" and would certainly claim to be more liberated, is actually squarer. Its homosexual message breaks up, and all ends happily when Jason (Marvin Els), devoted to chess, declares pubescently for girls.



Bernstein's "A Quiet Place" with (from left) Ronald Pries, Catherine Swanson, Monte Jaffe, received a 20-minute ovation.

'A Quiet Place'
In Bielefeld

By James Helme Surcliffe

BIELEFELD, West Germany — Bielefeld's City Theater, one of the most adventurous in West Germany, has done it again. With both Munich's and Hamburg's opera houses closed for part of the season for repairs to the stage machinery, the resignation of Hamburg's musical director because the orchestra felt incapable of playing Luigi Nono's new "Prometheus" in the allotted rehearsal time, and West Berlin's having staged but a single new opera production since the season began last September, Bielefeld brought out its second novelty in as many months, the ninth in four seasons. Its last two 20th-century rediscoveries — "Transatlantic" and "Neues vom Tage" — are still playing to packed houses.

The most recent opening night was one with a difference. Whereas all the other rediscoveries have been of neglected operas old and new, Leonard Bernstein's "A Quiet Place" — its first German production and the first in any language but English — is a special case. Still new, it was panned by critics in Houston (1983), Milan and Washington (1984), and received with some skepticism in Vienna (1986) for its sentimentality, extreme length, repetitiveness and apparent rambling around in unsavory private details, thus invoking the atmosphere of the confessional. It has undergone three revisions.

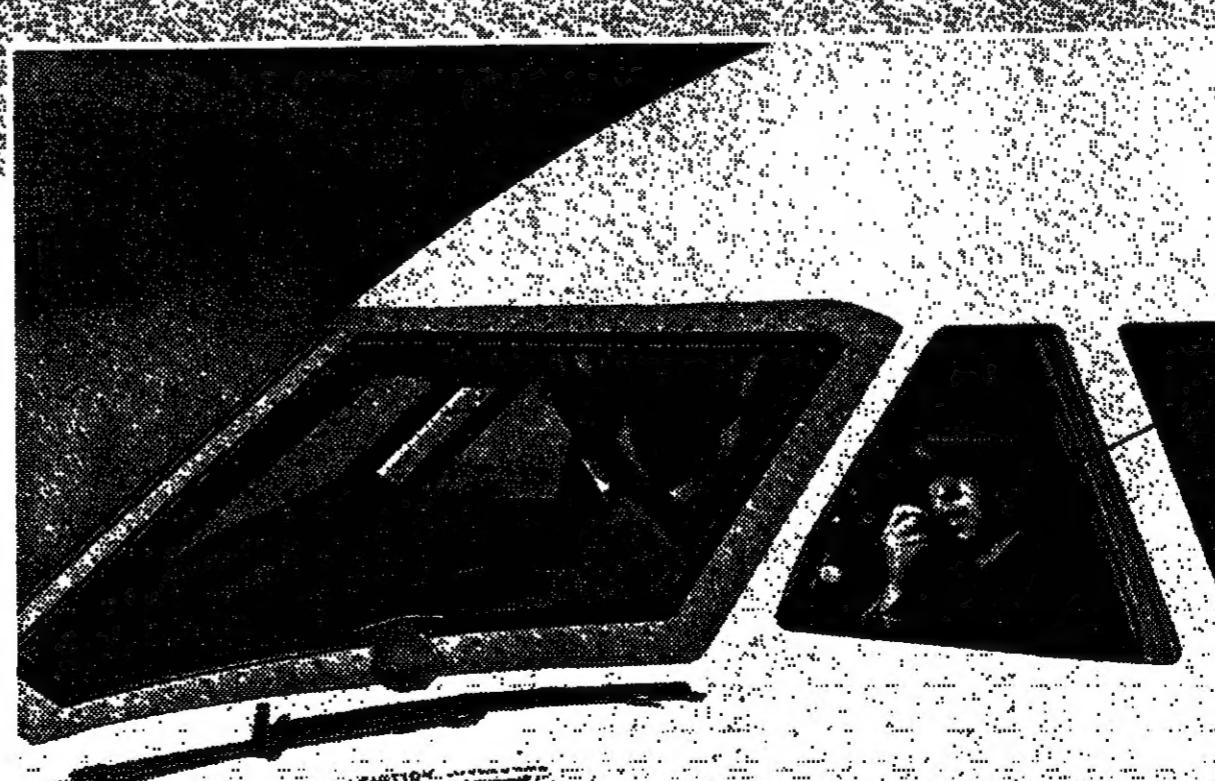
Bernstein's brief little one-act satire on the false values of American suburbia, "Trouble in Tahiti" (1950), was first performed as a prologue (Houston), then as an "intermezzo" within the larger work itself a very long retrospective look at the estrangement beginning in "Tahiti" (Milan), then integrated completely into Act 2 (Vienna). That version, staged by its librettist Stephen Wadsworth and conducted by the composer, will be out on Deutsche Grammophon records at the end of the year.

Bielefeld's adventurous team of John Dew (director) and Gottfried Pilz (designer), using a superb German translation by Paul Esterhazy that avoided much of the maudlin phonology of the original, went one drastic step further and cut half an hour of the music sacrificing a fine Act 1 trio because the weak one in Act 3 had to go, and balance had to be maintained, then dividing the work in the middle to create two acts with two scenes each, each divided by Bernstein's impressive Mahlerian orchestral interludes.

James Helme Surcliffe is a Berlin-based critic and musician.

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A catalog from the Shanghai branch of China's National Medicines and Health Products Corporation is more colorful than its Western counterpart. In addition to the drugs and tablets and ointments with which the West is so familiar, one finds a whole range of Chinese medicines from far more ancient pharmacopoeias, such as "Fine ginseng," "Styrax" and "Sanhus Anti-adiposis Tea."

But the Shanghai trading branch, ironically, is very new. It was formed only in early 1986, when the medicine section of the chemicals trading corporation was separated for better administrative efficiency.

Mr. Shu Xianghua, deputy general manager, says jovially that "the Shanghai branch is number one in the country.

Shanghai branch has top quality."

He calls on more than 30 factories to provide medicinal and pharmaceutical products, and if the Chinese herbs, surgical instruments, glassware and bandages are included, then he deals with over 70 factories in the Shanghai area. Products are exported to more than 100 countries, and different products have different markets: the United States, Japan and West Germany are high on the list for the Western pharmaceuticals, while the Chinese medicines go mainly to South and Southeast Asia.

Most raw materials come from China's well-developed chemical industries, but the herbs come from many distant provinces — the mountains and plains of far Cathay.

Export value in 1986 was over U.S. \$130 million, up 15 percent over 1985 (when the branch was part of the chemical corporation). Shu supports measures to send staff abroad, and to invite experts to Shanghai to upgrade the production. He is eager to learn about the latest techniques and designs of medical instruments and to invest in high-tech equipment.

As for the exotic Chinese medicines, Shu is making great efforts to raise exports to the United States and Australia. "Some of the population there believe in Chinese medicines and herbs as being part of the back-to-nature lifestyle," he says. "There is a big future in herbal medicines, I think."



Street Fashion: Bright and Varied

Shanghai has long been noted for its clothing industry, although that industry has been vastly expanded and diversified in recent years.

A competition for children's dresses designed by parents was held in Shanghai in May 1984. The response was enthusiastic,

and the child "models" performed gracefully, watched by the proud audience of parents.

The event was, however, more than just a pleasant social gathering; it indicated the skills and taste of the local people. A Shanghai fashion show group was accorded a warm welcome when it traveled to Hong Kong in August of that year — again, the little models, with swept-back hair, performed like troopers along the catwalk.

China closely watches the markets for fashion trends, such as in designer casuals and sportswear. The city also has an increasing awareness of fashion sense itself, witnessed by the many fashion shops in the streets, with all the complementary services like hairdressing establishments, etc.

In this context, the Shanghai Garment Branch of the China National Textiles Import and Export Corporation offers a wide range of woven and knitted garments, as well as gloves, swimwear, rainwear and sportswear. The range of fabrics used in the hundreds of factories producing these products is also wide — wool, cotton, silk, polyesters, acrylics, nylon, mo-hair and blended materials. But the usual catalog of shirts, suits, frocks, coats, jackets and pajamas does not exhaust the list in Shanghai. The Garment Branch also offers knitting yarns in wool and acrylics, kitchen clothes, sleeping bags, and fasteners and tapes.

Garmens are among China's most buoyant exports. In a recent twelve-month period the rate of increase in value has been over 50 percent. Exports to Hong Kong alone rose by 37 percent last year, having almost doubled since 1984.

Machinery Is the Key

When a policy of modernization is laid down, as China has done, it requires two vital elements — skilled workers and improved machines. Hence the key importance of China's National Machinery and Equipment Import and Export Corporation. Among the many branches of the Corporation, Shanghai's stands supreme.

The city has had long experience in the development of machinery and manufacture, and has the technical back-up. The Machinery and Equipment Shanghai branch has several tasks: it is a heavy importer as well as exporter, and it serves not only the Shanghai area but also acts as the consultant and importer for other parts of China.

Shanghai's Hongqiao Airport is one of the largest in China, with 38 domestic routes to all the provinces, municipalities and autonomous regions, and international flights to Tokyo, Nagasaki, Osaka, Hong Kong, San Francisco, New York, etc. China's CAAC airline, Japan Air Lines, Northwest Orient and Cathay Pacific are among the lines serving the rest of the world.

Mr. Jiang Yiping, general manager of the branch, therefore presides over a business of some complexity and clout. The factories and offices allied with the branch in Shanghai employ some 360,000 staff. The variety of activities may be gauged from the following examples of its work:

It has developed many forms of transaction and cooperation, such as processing from clients' drawings and samples, assembly using customers' components, manufacturing with customers' materials, joint venture and technical transfer negotiation, etc.

The branch has concluded many arrangements with producers abroad to manufacture new equipment, and on occasion has improved on the original model. For example, the Shanghai Welding Machine Works imported spot welding machines from a French company, and since then has been producing welders in batches. Compared with the old products, the new welder is only one-quarter the weight, with less energy consumption and higher efficiency.

The Shanghai branch is active in compensation trade and barter deals. Examples include the sending of trade groups to West Africa to negotiate agricultural machinery and machine tools on a barter agreement in 1985-86, after which an export contract was signed amounting to over \$1.35 million.

In Colombia, the branch arranged a barter deal with the cooperation of the China National Native Produce and Animal By-Products Corporation.

Under its terms the Shanghai Machinery Branch exports "Shanghai-50" tractors to Colombia in return for cacao beans. In this manner, the Corporations have more opportunities for flexible trades with the developed countries, and use barter with the developing countries. Further successes in this field are expected, says the Shanghai management.

The Fabric of History

Spinning and weaving of fabrics have always been at the forefront of China's contribution to human economic development over the ages. When Shanghai became a modernized port city last century, it was inevitable that it should become one of the world's greatest textile factory cities.

The Shanghai Branch of the China National Textiles Import and Export Corporation, naturally enough, plays a leading part in the development of fabrics of better quality and greater variety. The Branch offers a great range of fabrics of all kinds — natural and synthetic fiber and blends and of every weight. Yarns, wovens and knitted fabrics (grey, bleached, dyed or printed) are also offered by the Branch, which has over 30 years of trading experience, and has relations with over 130 countries and regions round the world.

China is now the world's leading producer of the important artificial fiber vinylon. Total production is over 160,000 tons a year. Vinylon is not only used in clothing and for household use, but also for heavy industrial purposes.

Attractive Toys Which Children And Wholesalers Love To Have

The Shanghai Toys Import and Export Corporation specializes in creating toys that children love to possess and wholesalers like to handle.

Shanghai toys are available in wool, wood, rugged plastic and plastic coated materials.

Some of our toys use sound controls, magnetic controls or optical controls to give them life and movement, while others are powered by electricity, springs or inertial system.

Shanghai toys are made only from the best materials, they are hygienic, safe, colorful, cute as well as educational.

Enquiries and orders welcome. We also handle processing business with supplied materials.

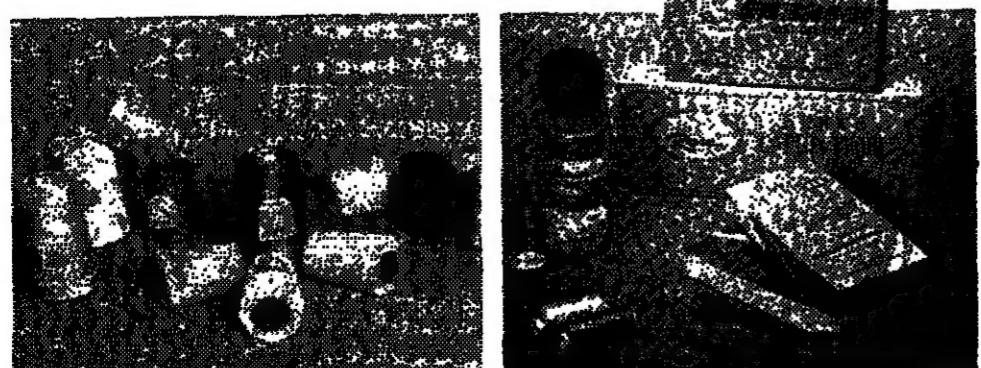


For more information, please contact:

Shanghai Toys Import & Export Corporation
Address: 165 Ruan Road, Shanghai, China.

Cable: CHINATOYS SHANGHAI Telex: 33037 TOYS CN Tel: 262640

Colorful, High Quality "Rose" And "Red Lotus" Brand Sewing Threads On Cones.



These colorful sewing threads are available in polyester and all-cotton, they are suitable for industrial and household use.

They can be used on high-speed sewing machine up to 5,000-7,000 stitches per minute and the threads are treated with 4% silicone oil according to the US finishing process.

Reports from the USA Thread Computer Tests show that the quality of these threads meet the required advanced standards and their specifications are: Counts: polyester: 50/2, 40/2, 30/2, all cotton: 40/2, 36/2, 30/2, 30/3, 40/3

They have now become a popular item in USA.

For more information, please contact:

CHINA NATIONAL TEXTILES IMPORT & EXPORT CORPORATION,
SHANGHAI HOME TEXTILES BRANCH.
18, Chung Shan Road E., Shanghai, China. Tel. No.: 218500
Cable : "HOMETEX" SHANGHAI Telex : 33329 HOMEX CN



"Silver Ball" Printed Shirting

Beautiful Original and Unique

China National Textiles Import & Export Corporation, Shanghai Branch is the sole agent in handling "Silver Ball" printed shirting in Shanghai. They are fashionable, have up-to-date design and are in great demand all over the world.



China National Textiles Import & Export Corporation, Shanghai Branch
27, Chung Shan Road, E1, Shanghai, China
Cable: "TEXTILE" SHANGHAI or
4444 SHANGHAI Telex: 33055 SHTEX CN
Telephone: 218400

كما نحن نعمل

ADVERTISING SECTION

Cozy Home Textiles

The phrase "home textiles" has a cozy sound, and scarcely one which would be expected in an official title, but that is the English translation of one of China's trading corporations, and it is quite accurate. The giant "China National Textiles Import and Export Corporation" became too cumbersome, and so in 1984 the garments section was subdivided into three, looking after sewn garments, knitwear and — home textiles.

"What are they? Any fiber products which are used in the home, not on the human body or in industry. The largest group of products is bed linen (sheets, quilts, covers, pillows and blankets) and the second biggest is bathroom articles (towels, bathrobes, etc.). Then come curtains and furnishing fabrics, mats and rugs, braids and tapes. Incidentally, two human-body products are produced — diapers (because of

the quilting experience) and shoelaces (because they are braids).

Shanghai's Home Textiles Branch is therefore a huge trader. Mr. Tong Jian Hua, general manager, points out that in 1985, the branch sold U.S. \$125 million worth of products, and that this rose to \$155 million last year, a 22 percent increase. The largest market is the United States, followed by the Common Market countries and Japan. Hong Kong and the Middle East are also good buyers, but the Middle Eastern market has shrunk somewhat with the fall in oil income. In Western Europe the leading buyers are West Germany, the United Kingdom, Italy and the Scandinavian countries.

Each product group has a separate network of factories, and given the range of items, it is not surprising to learn the branch draws on approximately

Wonderland of Toys

300 factories altogether for its supplies. Quality control is, of course, vital, and the branch engages an army of supervisors and inspectors. Tong says: "In today's competitive world market for textiles goods, only good-quality merchandise is profitable, and we have to go more and more upmarket. I think we enjoy a good reputation with buyers on quality and delivery."

The branch does some heavy marketing campaigns, as might be expected. It participates in the big trade fairs in Europe and America, and scores of foreign clients arrive in Shanghai every month.

Future prospects are bright, Tong concludes. "Business is growing — we plan more investment and technological improvements. Our world market share is not big, so we have plenty of room for growth," he says optimistically.

BIGGEST CHEMICAL PRODUCER

Shanghai has many "biggests" in China. One is the Shanghai branch of the China National Chemicals Import and Export Corporation, which leads the country in output of chemicals and — perhaps an unexpected product for its lists — heavy vehicle tires. But since the chemicals are mainly petroleum derivatives, it is logical that tires made chiefly of synthetic rubber should be part of its production schedules.

At the office in mid-city, Mr. Zhang Shu Shen and Mr. Wu Bai Xing, top executives of the branch, say that their branch deals with nearly 500 manufacturing units all over Shanghai, collecting cargo from all the factories big and small. "Our main exports are petroleum chemicals — raw materials, pigments and dyes, dyes, dye intermediates and rubber products. We have a total value of both ways trade

running to over U.S. \$200 million a year, the branch being a very heavy importer as well as exporter."

Shanghai's is the oldest and biggest branch within the National Chemicals Corporation, they say with some pride. Orders for their products come from 130 countries round the world; the largest being from the United States.

The Corporation puts its oil-refining feedstocks into a wide variety of products: organic and inorganic chemicals, additives for animal fodders, plastics and synthetic resins, reagents, pesticides, fungicides, paints, printing inks and adhesives. Among the rubber and plastic products are conveyor and machine belting. Dyes, pigments and dyestuffs are supplied for the textile industry, edible dyes for the food-processing industry, and enamels for metal-gilding.

Then there are the blowing agents for making foam rubber, antioxidants for pharmaceuticals, resins for audio-discs, activated carbon for filtering sugars, greases, etc., and for deodorizing other chemicals, bleaching powders for detergents — the list is very long.

The branch is the center of China's vehicle tire industry, and three-quarters of the country's heavy-duty tires are produced in the city. One of the supplying factories, Ta Chung Hu, was in fact the first of its kind in China, having been established in 1928. Its "Double Coin" brand sells in 50 countries.

How has the recent fall in the price of crude oil affected the branch? "Our export income from oil has fallen, but our exports have increased overall," says Wu, "because our other products have made up for the shortfall."

Handkerchiefs by the Million

Amid the much-publicized global discussions of the textile trades, the humble handkerchief is rarely mentioned. Yet such is the size of this trade that, in Shanghai, a large specialized industry with 15 factories and 7,000 employees is devoted entirely to this product. It runs a separate department within the city's export-import administration.

"We are meeting great demand," says Mr. Hu Yin De, deputy general manager, "and sometimes have to buy in from factories outside Shanghai to meet it." Shanghai's average total production is 26 million

dozen a year (i.e. 300 million pieces, equivalent to one for every 15 people on earth), and foreign trade alone brings in about U.S. \$40 million a year, with markets in the United States and Canada, the Common Market, Africa, the Middle East, South America and the Caribbean. The trade is backed up by computerized information and data-processing systems.

The Japanese market is just being entered, too, with a special cotton-and-linen mix product. Shanghai provides 80 percent of all China's handkerchief exports. "The U.S. market likes

machine-embroidered handkerchiefs, whereas Europe prefers the more expensive hand-embroidered ones," Hu adds.

The Shanghai industry gets its cotton supplies from provinces in China, especially Hubei, but fine cottons also come from Sudan, Mexico and Egypt. Vegetable dyes come from China's Jilin Province, and the chemical dyes from Japan, Germany and Switzerland. "We are expanding, and must buy more machinery," says Hu. Sources of embroidery machines include Switzerland and Japan, the newest ones having computerized design functions.

Golden Bow Brand Jacks — a products of advanced technology

The "Golden Bow" brand jacks exported by CMEC Shanghai Branch include three different types. 1. Horizontal, vertical and screw types. They all feature novel and compact structure, light weight, quick lifting, portable, easy to maintain, safe and reliable operation.

They are really the perfect lift tools.



Detailed catalogue will be sent upon request. For enquiries and orders, please contact the advertising and packaging department of CMEC Shanghai Branch.

CHINA NATIONAL MACHINERY & EQUIPMENT IMPORT & EXPORT CORPORATION, SHANGHAI BRANCH
958 Beijing Road W., Shanghai China Cable: EQUIPEX SHANGHAI
Telex: 33028 SCMBEC CN

Wonderland of Toys

An Aladdin's cave — that is the impression any visitor will get on stepping into the showrooms of the Shanghai Toys Import and Export Corporation. China took advantage of the buoyancy of the world's toy market by setting up this special corporation in 1980. It combines 37 factories and trading corporations, employing 10,000 people — and that does not include various factory units that supply parts for the products.

Trading value in 1986 was U.S. \$50 million, 25 percent higher than 1985, and the corporation now exports to over 100 countries. The biggest markets are in Europe — West Germany, Italy, France, Britain — and the United States, but new markets are evolving in Latin America, says Mr. Huang Zhi Hao, sales director.

Two of the factories specialize in making many thousands of molds, and anyone in the toy trade knows that it's the molds that count.

For Shanghai, the big sellers are the plush toys, dolls and stuffed animals. "Our largest single order," says Huang, "was U.S. \$100,000 for one design of one animal for the United States. Since the establishment of the factory six years ago we have produced more than 660 types of plush toys." In the 12-

year Chinese zodiac this is the Year of the Rabbit — so, predictably, Shanghai has been producing furry rabbits by the dozens, and Huang can promise short delivery times on plush toys ("Sixty days from order date").

The outlook for the toy trade is very bright in Huang's view. "People are having smaller families in many countries, including China, and the parents tend to spend more money on the children." To meet the demand, his corporation offers a fantastic variety of playthings. Just one glance around the showrooms reveals dardboards, jump ropes, ten-pin games, toy trains, building blocks, dolls' tea sets, drums, puzzles, accordions, marbles, beach balloons, toy cars, airplanes, guns, baby carriages, bicycles, teddy bears and (of course) pandas...

"Our factories are working to full capacity," says Huang, "and so we must expand production." Has he noted any new trends in toys lately? "Yes, the market has changed from electronic toys towards friction toys, because friction toys are cheaper. And we are developing a new product — plush toys with mechanical workings inside." His face lights up — just like a child receiving one of his own gifts.

Celebrating the 1st Anniversary of the China National Medicines & Health Products Import & Export Corporation, Shanghai Branch

(Jan. 1986 — Jan. 1987)

We extend our heartfelt respect and gratitude to friends at home and abroad who have helped us and co-operated with us over the past year.

Our corporation has seven business departments: Chinese Medicines & Herbs; Pharmaceuticals, Pharmaceutical Preparations; Medical Instruments & Supplies; Surgical Dressings; Imports; and Development.

Many of our employees are experts on international trade and adept in foreign languages. We also have technicians who have been engaged in foreign trade for many years and have mastered different specialities.

Our business scope includes: Chinese medicinal herbs, Chinese patent drugs, medicated liquor, health products, medicinal raw materials, pharmaceutical preparations and biological products, biochemical pharmaceuticals, pharmaceutical manufacturing machines, hospital equipment and appliances, chemical reagents, surgical dressings, health materials, medical technology and equipment, etc. Processing with supplied materials, production according to brand requirements, compensation trade and co-operative production are also within our business scope.

We will continue to follow the current flexible trade policies to develop relations with other countries and regions on the basis of equality and mutual benefit.

CHINA NATIONAL MEDICINES & HEALTH PRODUCTS IMP. & EXP. CORP., SHANGHAI BRANCH

27 Zhongshan Road (E.1), Shanghai, China

Cable: "MEHECOS" Shanghai Telex: 33556 MHIEC CN

SHANGHAI GARMENTS

China National Textiles Import & Export Corporation Shanghai Garments Branch handles all kinds of garments in cotton, wool, ramie, synthetic and blended fabrics.

If you like to know more about our "LeLe" brand Children's wear or other garments, please contact us at:



CHINA NATIONAL TEXTILES IMPORT & EXPORT CORPORATION SHANGHAI GARMENTS BRANCH
1040 North Suzhou Road, Shanghai, China.
Cable: "GARMENTS" SHANGHAI.
Telex: 33056 GAREX CN,
33038 GAREX CN.

SHANGHAI CHEMICALS

Shanghai has always been one of the most important foreign trade centres in China. The quality of Shanghai exports is among the best in the country, and the products from China National Chemicals Import & Export Corporation, Shanghai Branch are no exception.

Our business scope is as follows:

Importing & exporting petroleum and petrochemicals, organic and inorganic chemicals, pesticides, synthetic resins, plastics and products, synthetic rubber and products, dyestuffs and intermediates, pigments, printing inks, coating, food additives, chemicals reagents, adhesives, etc. We also engage in introducing foreign capital, processing with supplied materials, joint ventures, co-management, technical exchange, co-production and compensation trade in the range of the above mentioned items.

We are happy to provide samples and catalogues upon request.

Enquiries and orders are cordially welcome.



CHINA NATIONAL CHEMICALS IMPORT & EXPORT CORPORATION, SHANGHAI BRANCH
27 Zhongshan Road (E.1), Shanghai, China
Cable: SINOCHIMES Shanghai Telex: 33044 CCIEC CN

NYSE Most Actives				Market Sales				NYSE Index				Tuesday's NYSE Closing				AMEX Diary				NASDAQ Index				AMEX Most Actives			
Borlaug	3885	4040	3940	4040	4040	4040	4040	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125		
Cameco	2000	2000	1900	2000	2000	2000	2000	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
IBM	2625	2550	2550	2550	2550	2550	2550	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Traveler	2270	2150	2150	2150	2150	2150	2150	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Petroleo	1850	1850	1850	1850	1850	1850	1850	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
AT&T	1850	1850	1850	1850	1850	1850	1850	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Titan	1722	1700	1700	1700	1700	1700	1700	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
USX	1620	1620	1620	1620	1620	1620	1620	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Sfelp	1600	1600	1600	1600	1600	1600	1600	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Lever	1500	1500	1500	1500	1500	1500	1500	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Carroll	1500	1500	1500	1500	1500	1500	1500	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Wells	1500	1500	1500	1500	1500	1500	1500	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Sequoia	1500	1500	1500	1500	1500	1500	1500	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Dixie	1220	1220	1220	1220	1220	1220	1220	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		
Dow Jones Bond Averages																											
	Prev.	Close	Today	Next																							
Bonds	94.06	92.88	92.88	92.88																							
Utilities	94.24	94.32	94.32	94.32																							
Industrials	91.88	91.88	91.88	91.88																							
	1220	1220	1220	1220																							

NYSE Diary			
Class	Prev.		
Advanced	294	294	
Declined	294	294	
Unchanged	295	295	
Total Issues	870	870	
New Highs	13	13	
New Lows	26	26	

Odd-Lot Trading in N.Y.			
Buy	Sales	\$9771	
March 30	417,921	89,267	7,725
March 27	302,644	567,897	1,227
March 26	302,644	567,897	1,227
March 25	374,669	592,373	1,702
March 24	433,718	608,165	3,603

*Included in the sales figures.

Tuesday's NYSE Closing

Via The Associated Press

Dow Jones Averages			
Open	High	Low	Close
March 30	2294.07	2271.31	2204.69
March 27	2294.07	2271.31	2204.69
March 26	2294.07	2271.31	2204.69
March 25	2294.07	2271.31	2204.69
March 24	2294.07	2271.31	2204.69

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Standard & Poor's Index			
Open	High	Low	Close
March 30	222.35	222.35	222.35
March 27	222.35	222.35	222.35
March 26	222.35	222.35	222.35
March 25	222.35	222.35	222.35
March 24	222.35	222.35	222.35

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NASDAQ Diary			
Class	Prev.		
Advanced	294	294	
Declined	294	294	
Unchanged	294	294	
Total Issues	824	824	

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

AMEX Stock Index			
High	Low	Close	Prev.
March 30	331.13	328.75	331.17

GAF Proposes to Buy Borg-Warner

The Associated Press

NEW YORK — GAF Corp. said Tuesday it had offered to acquire Borg-Warner Corp. for about \$3.17 billion, but Wall Street promptly indicated that it expected the bidding to go higher.

GAF, a maker of specialty chemicals and building products based in New Jersey, already owns 17.1 million shares, or 19.9 percent, of Borg-Warner's approximately 86 million common shares outstanding.

GAF offered to buy the remaining stock for \$46 a share in cash. But that was below the \$47.125-a-share price at which Borg-Warner's stock closed Monday in New York Stock Exchange composite trading.

Borg-Warner's stock jumped \$2.75 a share Monday, despite the steep sell-off in the overall stock market, amid speculation GAF might make an offer.

In early trading Tuesday, Borg-Warner's stock jumped another \$1 to \$48.125 a share after GAF's announcement, indicating that investors believed GAF's current offer

might be inadequate to take over Borg-Warner.

Borg-Warner, headquartered in Chicago, is a diversified concern with interests in specialty chemicals and engineered plastics, automotive parts and services.

Speculation that there might be an offer heightened Friday after GAF announced that it had raised its stake in Borg-Warner to 19.9 percent from 9.4 percent.

GAF said it planned to finance the acquisition with its own money and with bank borrowings from a group of leaders led by Chase Manhattan Bank in New York.

GAF raised its stake in Borg-Warner after a group led by a Minneapolis financier, Irwin L. Jacobs, sold its 12.4 percent interest in the company earlier Friday. Mr. Jacobs previously had made a tentative proposal to buy Borg-Warner.

In 1986, Borg-Warner had profits of \$206.1 million on sales of \$3.62 billion, up from 1985 profits of \$178.5 million on sales of \$3.33 billion.

He also said the proposed purchase, which would be made by tender offer, would be subject to approval by Borg-Warner's directors.

Mr. Heyman said that GAF also was willing to discuss having Borg-

BCal Has £19 Million Loss, Cites Terrorist Fears in U.S.

Reuters

LONDON — British Caledonian Airways, Britain's second largest airline, on Tuesday reported a loss of £19.3 million (currently \$31.07 million) in 1986 and attributed it mainly to concern in the United States last year about terrorist attacks in Europe.

The pre-tax loss, for the financial year ending in October, compares with a record pre-tax profit of £21.7 million in 1985. Sir Adam Thomson, the airline's chairman, said.

He said the main causes for the loss were a decline in U.S. trans-Atlantic traffic after terrorist attacks in the U.S. air raids on Libya last April 15, the Soviet nuclear plant disaster at Chernobyl on April 26 and a slump in the oil industry that affected Middle East traffic. Sir Adam predicted a return to profitability this year.

Last year, after the drop in business, the airline cut 1,000 jobs in its 7,750-member work force, sold some of its assets and reduced the number of its flights across the Atlantic to 33 from 35 a week, and to the Middle East. It said the cuts would save £30 million a year.

Honeywell Bull Called an 'American' Firm

By Arthur Higbee

International Herald Tribune

Honeywell Bull Inc., the new information systems company formed by Bull of France, Honeywell of the United States and NEC of Japan, will be an American company with American management, according to Jacques Stern, the Frenchman who heads Compagnie des Machines Bull.

Although Mr. Stern, 55, will be chairman of the new company, he will remain chairman and chief executive of Bull, he told The New York Times, and will be involved chiefly as a strategist.

Day-to-day management will be up to Jerome J. Meyer, 49, president and chief executive.

The new company, which was essentially formed from the computer division of Honeywell, began operations Friday with headquarters in Minneapolis. Worldwide, it has 20,500 employees, and annual revenues of \$1.9 billion. Honeywell owns 42.5 percent, as does Bull, and NEC owns 15 percent.

Mr. Meyer moves up from executive vice president of Honeywell Information Systems. He has been in the computer business for 27 years. He is a Minnesota native and a graduate of the University of Minnesota.

Mr. Stern, who joined Bull in 1982 after a successful career as a computer entrepreneur, is a graduate of France's elite Ecole Polytechnique. He holds a master of science degree from Harvard.

The extraordinary earnings came from the bank's sale of the industrial core companies of the Flick group, analysts.

Analysts said Dresdner Bank AG, the nation's second largest universal bank, is expected to raise its dividend to 11 DM a share for 1986, from 8 DM a share the previous year. Dresdner Bank will report on its earnings next week.

C&W Denies Agreement

On Japanese Venture

Reuters

LONDON

—

Cable & Wireless

PLC,

the British telecommunications giant, denied Tuesday that it had reached agreement with Japan, U.S. and British pressure, allowing it to increase its share in a proposed Japanese international communications company.

A company spokesman said the Japanese proposal, which would allow C&W a 5 percent share, was unreasonable. C&W is seeking 20 percent. The company is in one of two consortiums competing for permission to start a telephone enterprise, which would rival a Japanese state-controlled company.

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CURRENCY MARKETS

Dollar Firms in Technical Respite

Reuters

NEW YORK — The dollar had generally turned Tuesday in New York and Europe, but dealers said this was only a respite after Monday's sharp decline, especially against the yen.

"They attributed the U.S. currency's consolidation to technical, market-driven reasons, rather than to the host of U.S. economic indicators released Monday. For example, many cited profit-taking from dealers who bought cheaper dollars to fulfill sales previously made for other currencies at higher rates."

"The market is just not watching U.S. figures at the moment," one foreign-exchange specialist said. "Trade tensions between the United States and Japan are what really worries the dealers, and that's why the dollar will remain under

London Dollar Rates	
Cable	Yen
Deutsche mark	1,095
French franc	1,095
Japanese yen	1,095
Swiss franc	1,095
French franc	1,095
Source: Reuters	

tries should foster stability of exchange rates at current levels.

"There's a perception that there is a difference of opinion [dollar/yen] between the United States and Japan," said a dealer at one European bank, who noted that Mr. Baker again refrained from saying that the dollar had fallen enough.

Most dealers expect the dollar to test the 142 yen level this month.

In New York, the dollar eased to 143.850 yen from 146.275 yen Monday, but was far above the 143 yen close in Tokyo on Monday, where it had touched a new post-war low of 144.70 yen.

But the dollar edged higher to 1,8060 Deutsche marks from 1,7995 DM on Monday, to 6,0115 French francs from 5,9972 francs and to 1,5095 Swiss francs from 1,5000. The British pound also eased against the dollar, to \$1,6055 from \$1,6085.

A healthy figure for U.S. factory orders in February — a 4.3 percent rise after January's 4 percent fall — failed to prompt many dollar purchases, dealers said.

Earlier news that the U.S. February index of leading indicators had risen by 0.7 percent, after a revised 0.5 percent in January, also had no visible impact on the dollar.

Rumors circulated in Tokyo on Monday that the Bundesbank was intervening massively to defend the dollar. But dealers here said they had not detected it in the market.

The dollar's five 1,8051 DM was its lowest since an agreement by six major industrialized nations in Paris last month to stabilize currency levels.

The dollar's new tide against the yen this week, taking it down to around 145 yen from 154 in February, despite intervention by the Japanese and other central banks, has led some commentators to ask if the Paris accord is now wrecked.

The dealers cited the end of Ja-

pan's fiscal year on Tuesday, and said that this was often a time when Japanese exporters liquidated their dollar income.

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Rumors circulated in Tokyo on Monday that the Bundesbank was intervening massively to defend the dollar. But dealers here said they had not detected it in the market.

The dollar's five 1,8051 DM was its lowest since an agreement by six major industrialized nations in Paris last month to stabilize currency levels.

The dollar's new tide against the yen this week, taking it down to around 145 yen from 154 in February, despite intervention by the Japanese and other central banks, has led some commentators to ask if the Paris accord is now wrecked.

The dealers cited the end of Ja-

Dollar's Plunge Speeds Japanese Diversification Out of U.S. Treasuries

Reuters

TOKYO — The dollar's tumble to a record postwar low of 144.70 yen here Monday spurred major Japanese investors to further lighten their holdings of U.S. government bonds and is expected to accelerate diversification into foreign and domestic shares, dealers said.

Major Japanese investors in the past two years are estimated to have held 50 percent to 80 percent of their foreign portfolios in U.S. government bonds, dealers said. They were willing to risk that the higher yields over Japanese government bonds would compensate for any currency loss. But with the dollar falling more than 40 percent in that period, many have lightened their inventory to as low as 40 percent.

The trend is quickening. Japanese net purchases of foreign securities in the first half of March fell an estimated \$1 billion compared with average monthly net purchases of \$7.7 billion for the whole of 1986, Finance Ministry sources said.

Some trust bank pension fund accounts and investment trusts sold several hundred million dollars on the foreign exchanges on Monday, securities dealers said, accounting for the U.S. currency's tumble. The dollar firmed Tuesday to around 146 yen.

"They seem undecided on what to do with the fresh yen cash positions resulting from their dollar sales today, and are side-

lined until the currency market stabilizes and the interest rates outlook clarifies," said a currency trader at Nikko Securities Co. on Monday.

Since late last year, Japanese investors, seeking substantial liquidity and attractive yields, have used fresh funds to buy Deutsche mark and Canadian dollar bonds.

After six major leading industrialized countries agreed last month in Paris to stabilize currencies, Japanese investors actively bought French franc bonds and British government bonds, while gradually lightening lower-yielding U.S. bond inventories, the managers said.

These companies were dumping below production price — in the United States to gain market share even while they blocked U.S. sales in Japan by various unfair means.

The differences eventually led to the semiconductor pact, signed last September. It said Japan would export chips to the United States only at a "fair market value" to be set by the United States and would not dump in third markets. It also provided that U.S. makers would be able to increase their 10 percent share of the Japanese market.

Both sides agree that the Japanese have enforced the pricing on direct exports to the United States. It is in third markets — Hong Kong and Taiwan, for instance — that the Americans have screamed about continuing dumping. From there, they say, some of the chips go on to the United States, circumventing the agreement.

Japanese companies are famous for valuing long-term relationships more than quick profits.

"They will check it and give it the toughest judgment." Like many Japanese industries that are expanding to many points in the world, this one started with market protection, close direction and aid from the Ministry of International Trade and Industry and expertise to do with the help of the United States.

Production of chips which contain thousands of microscopic electrical circuits crammed onto postage stamp-size surfaces, is the type of thing at which Japanese attention to duty and detail is well applied. It is highly exacting, requiring a fast-changing field. "Several years ago, a design was good for two years," says Kousuke Kondou, senior manager of Fujitsu Ltd.'s semiconductor division.

"Now we have to do a new design every six months."

The current lead dates from a 1983-84 boom in chips, the result of soaring sales worldwide of video-

cassette recorders, personal computers and other appliances that use them. Shortages developed and companies in the United States and in Japan began investing heavily.

Altogether, the Big 12 Japanese makers sank about \$5 billion into new production facilities in the year beginning April 1984.

Before long the pendulum swung and the industry found itself in deep recession. The Japanese cut prices aggressively as new production capacity came on line. U.S. makers began charging that Japa-

Some date it to 1953, when Sony Corp. licensed the transistor from the Western Electric unit of American Telephone & Telegraph Co. Over the years, there have been cases of design piracy, but generally the Japanese have paid for what they borrowed.

The Japanese have today virtually banished U.S. makers from the sale of high-powered computer memory devices, the standard "commodity" chips that make up much of the business. They are advancing too in "customized" chips,

circuit boards designed specifically for particular applications.

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For

BOOKS

AN UNFINISHED JOURNEY

By Shiva Naipaul. 136 pages. \$15.95.
Viking Inc., 40 West 23d Street, New York,
N.Y. 10010.

Reviewed by John Gross

YES, he was V.S. Naipaul's brother. In one of the essays in "An Unfinished Journey," Shiva Naipaul describes what it was like to start out in his brother's shadow. For a long time the shadow was a distant one: He was only 5 years old when V.S. left Trinidad for England, and the two of them only came to know each other properly when he left for England, in his turn, at the age of 18. But meanwhile he had grown up with a sense of being subjected to "the tyrannies of comparison." Whatever he did was bound to be measured against his brother's achievements.

Under the circumstances, he observes, "my choice of career must seem like an exercise in masochism." But it would be truer to say that his career chose him. As a student at Oxford, he had no thought of becoming a writer, or anything else, and in his final year was "ill with apprehension" about the future. Then, one day, a sentence suddenly came into his head; he wrote it down, and decided "to follow it" and see how far it would take him.

What it led to, eventually, were three highly regarded novels and some memorable reporting and journalism. He wrote slowly, but his reputation grew steadily until his death in 1985 at the age of 40.

"An Unfinished Journey" contains half a dozen articles written in his last years, and a substantial fragment of the book he was working on at the time of his death. Of the shorter pieces, one in particular is outstanding — an angry-taking-apart of what he calls "The Illusion of the Third World."

His initial attempt to write the Third World is that it doesn't exist — it is an idea that lumps together countries with very little in common, at very different stages of development. But what exasperates him most about Third World ideology is that it substitutes easy abstractions for flesh-and-blood actuality: "To blandly subsume, say, Ethiopia, India and Brazil under the one banner of Third Worldhood is as absurd and as degrading as the old assertion that all Chinese look alike."

Australia would have been the subject of Shiva Naipaul's next book. The portion he completed describes his visit to Sri Lanka on

the way to Australia. He casts a cold eye over Colombo; he falls in with an absurd, temperamental painter and interviews an archetypal bureaucrat; a survivor's diary reveals the full horror of the anti-Tamil pogrom that took place in the city in 1983. And then he gets to know Tissa, a would-be author who works in the Survey Department (through nobody has ever found out what he does); he visits Tissa's home in the countryside, and decides that he is a lost soul, "no longer convinced of the reality of his existence" — which also makes him a composite and sad and rather frightening, and more than anything else in the book brings home what a subtle writer Naipaul could be at his best.

John Gross is on the staff of The New York Times.

BEST SELLERS

The New York Times

This list is based on reports from more than 2,800 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

Los Angeles
Week
Weeks in
List

1	FINE THINGS, by Danielle Steel	2	2
2	WINDMILLS OF THE GODS, by Sidney Sheldon	1	8
3	THE EYES OF THE DRAGON, by Seamus Heaney	3	9
4	GO!, by Dick Francis	4	3
5	RED STORM RISING, by Tom Clancy	5	35
6	DESTINY, by Sally Beauman	6	11
7	NIGHT OF THE FOX, by Jack Higgins	7	29
8	THE PANIC OF '85, by Paul Endmen	8	10
9	OUTBREAK, by Robin Cook	9	6
10	THE PRINCE OF TIDES, by Pat Conroy	10	11
11	ANYWHERE BUT HERE, by Monica Simon	11	2
12	THE GARDEN OF THE INTRUDER, by Stephen Coontz	12	22
13	THE RED WHITE AND BLUE, by John Gregory Dunne	13	21
14	WEIRWIND, by James Clavell	14	21

NONFICTION

Los Angeles
Week
Weeks in
List

1	A SEASON ON THE BRINK, by John Feinstein	1	13
2	COMMUNION, by Whitey Lockwood	2	3
3	THE FITZGERALD'S AND THE KENNS, by Michael Cudlitz	3	6
4	FAREWELL, GOOD-BYE, by Bill Clegg	4	47
5	THE FATAL SHOKE, by Robert Hughes	5	7
6	DESTINY, by Sally Beauman	6	7
7	A NIGHT IN THE LIFE OF AMERICA, by Tom Wolfe	7	9
8	INTIMATE PARTNERS, by Maggie Scarf	8	4
9	BETTY: A GIRL AWAKENING, by Betty Ford with Cindy Black	9	2
10	YOU'RE ONLY OLD ONCE, by Dr. Ruth Westheimer	10	55
11	BOONE, by T. Boone Pickens	11	13
12	LIFE WISHLIST, by Jim Hightower	12	1
13	THE SEARCH FOR SIGNS OF INTELLIGENT LIFE IN THE UNIVERSE, by Jane Wagner	13	11
14	AGENTS OF AMERICA, by Michael H. Moore, by Gary Wills	14	8
15	THE RECKONING, by David Halberstam	15	8

ADVICE, HOW-TO AND MISCELLANEOUS

Los Angeles
Week
Weeks in
List

1	MEN WHO HATE WOMEN & THE WOMEN WHO LOVE THEM, by Steven F. and Lois L. Kirschner	1	25
2	THE FRUGAL GOURMET COOKS WITH WINE, by Jeff Smith	2	22
3	THE ROTATION DIET, by Martin Klein	3	12
4	WEBSTER'S NINTH NEW COLLEGE DICTIONARY, Gideon W. Hart	4	41
5	HOW TO BE YOUR OWN NUTRITIONIST, by Stuart M. Berger	5	1

Solution to Previous Puzzle

BALKS	CASH	TONK
AGAIN	ALEA	ANON
TRONA	CLAN	KENE
HANDTHON	DENCE	HUEY
SACHET	ELLEN	ELIDES
ALLA	DODO	SHARE
STENTOR	UNTAMED	HOWDY
HOWDY	ESTA	NINE
LLANOS	ELAN	IRISH
OUCH	ONAL	SUDDEN
ACTA	BARA	APART
HAND	ANEM	TION
RARA	DRAGO	NON

4/1/87

BRIDGE

By Alan Truscott

A RECENT announcement is a sad blow for students of the game. Popular Bridge, which has been published bimonthly in Ventura, California, for two decades, has announced that it will cease publication.

The December issue included an interesting article by Jared Johnson of Golden, Colorado, entitled "Creative Hands," a collection of "Be like It or Not" situations.

It includes the solutions to some "task" problems. Among them are a hand with 32 high-card points that takes no tricks in defense; six spades that makes with a 2-2 fit in the absence of a trump lead; no mateable game with 39 points

in the partnership-hands and, conversely, a hand cold for seven no-trump but can make seven hearts. The best pair North can do with his Yarborough is to make six clubs.

The first item on that list refers to the celebrated "Duke of Cumberland" hand from whist days.

The last is the diagramed deal, which, like other constructed deals, does not have any bidding. An opening seven-no-trump bid would be applicable if South had spaded the deck, and could also happen if that player mistakenly believed that he had the wrong number of cards and wished to cause a little excitement.

Seven no-trump is unbeatable for South, and strangely enough, West can make the same contract. East finds by 13 points.

Neither side was vulnerable. The bidding:

South: West: North: East:
7NT: Pass: Pass: Pass

West led the diamond king.

WEST

Los Angeles
Week
Weeks in
List

1	EAST	WAKQJ108
2	SKQJ108	SK75422
3	SK75422	—

SOUTH (D)

Los Angeles
Week
Weeks in
List

1	—	—
2	—	—
3	—	—

EAST

Los Angeles
Week
Weeks in
List

1	—	—
2	—	—
3	—	—

North: West: North: East:
7NT: Pass: Pass: Pass

West led the diamond king.

NORTH

Los Angeles
Week
Weeks in
List

1	—	—
2	—	—
3	—	—

EAST

Los Angeles
Week
Weeks in
List

1	—	—
2	—	—
3	—	—

WEST

Los Angeles
Week
Weeks in
List

1	—	—
2	—	—
3	—	—

EAST

Los Angeles
Week
Weeks in
List

1	—	—
2	—	—
3	—	—

NORTH

Los Angeles
Week
Weeks in
List

1	—	
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SPORTS

Indiana Nips Syracuse, 74-73, for Title

By John Feinstein
Washington Post Service

COLUMBIA

GOVERNMENT

AND

THE

COUNCIL

FOR

THE

PEOPLE

'Platoon' Tops Oscars



Conductor Michael Gielen: "very tired, very happy."

"*Platoon*," a film of the Vietnam war that no Hollywood studio would make, sentimental favorite *Paul Newman* and a deaf actress named *Marilyn Muffin*, were the big Oscar winners Monday night. "*Platoon*," an infantryman's view of the Vietnam war won four awards, the largest number for a film, including one for best picture and one for *Oliver Stone*, the onetime Vietnam infantryman who peddled his script for 10 years, as best director. The star-packed audience of 5,000 gave *Stone*, who was twice wounded in Vietnam, a rousing acknowledgment. *Newman*, 62 and nominated for best actor six previous times, was not in the audience to receive his statuette. "I have been there every time before and lost. Maybe if I stay away I'll win," he said. He finally won after 40 years of filmmaking, recreating a middle-aged *Fast Eddie* Felson, the pool shark he first played 26 years ago in "*The Hustler*." He was nominated than for best actor and lost. An emotional favorite was the 21-year-old *Matlin*, who played a deaf student who falls in love in "*Children of a Lesser God*," her first film.

Hollywood tried to make amends to Steven Spielberg, whose film "*The Color Purple*" ran through 11 nominations last year without picking up a single Oscar. Spielberg, 37, was given a standing ovation when he received the Irving G. Thalberg Memorial Award for his work as a producer.

The full list of winners:

- Best Picture: "*Platoon*."
- Best Actor: *Paul Newman* — "*The Color of Money*."
- Best Actress: *Madeleine Martin* — "*Children of a Lesser God*."
- Best Actor in a Supporting Role: *Michael Caine* — "*Hannah and Her Sisters*."
- Best Actress in a Supporting Role: *Dianne Wiest* — "*Hannah and Her Sisters*."
- Best Director: *Oliver Stone* — "*Platoon*."
- Best Foreign-Language Film: "*The Assault*" (De Aanslag) from the Netherlands.
- Best Screenplay based on an adaptation from another medium: *Death Kramer Jivisval* — "*A Room With a View*."
- Best Original Screenplay: *Woody*

Oliver Stone

OBSERVER

The Forgotten Camel

By Russell Baker

NEW YORK — Having decried as recently as December that it was time for journalism to abandon the tired old-gate suffix in the naming of scandals, I am now given a humbling lesson in the error of dogmatism. Its source is the scandal of the warring television preachers, for which there is only one possible name: *Pearlygate*.

On the far side of the pearly gates, according to the Protestant Sunday school teachers of my childhood, lay Heaven. One did not just walk on in, however, for the gates were monitored and credentials severely scrutinized.

The scrutiny was supervised by the Angel Gabriel. Some of my friends, however, argued that the gatekeeper was not Gabriel but the Apostle Peter. At that time they occasionally argued theology even while shooting marbles and pitching baseball cards.

Those who anticipated being examined by the Apostle Peter later received powerful musical support from Phil Harris in the *World War II* hit "Smoke, Smoke, Smoke That Cigarette." When the tobacco addict got to the gate, Harris would make "Saint Peter" wait until he'd smoked one last cigarette. By that time, being 20 years old and wise in the corruption of the world, I reasoned that the cynical songwriter placed Saint Peter at the gates only because the name Gabriel wouldn't have fit his melody.

It is curious, looking back, that we never wondered why the gates should be pearly. The Protestant churches I knew tended to value poverty so excessively that for long time I inscribed saintly qualities to the poor.

Certainly the preachers were all poor and the Sunday School teachers, though they dressed better than the preacher and their fingers often sparkled with rings, taught and re-taught the lesson of the Good Samaritan as well as the awful news that getting rich would make it harder for you to get into Heaven than for a camel to pass through a needle's eye.

Among the enduring deformations these teachings produced in my character were a tendency to knee-jerk liberal budget-busting at-

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Michael Gielen:
A Note of Style

By Andrew Clark

PARIS — Barely 12 hours after conducting "*Die Göttterdammerung*," the final new production of his period as director of the Frankfurt Opera, Michael Gielen is in his office conducting business as usual. The completion of the production of Wagner's "*Ring*" seems to have set the seal on the endeavors of Gielen and his team over 10 years of campaigning on an avant-garde platform and winning the notoriety that goes with it. The mix of cheering and booing that greeted the production team of "*Götterdämmerung*" at their curtain-call has been a standard ingredient of most first nights during his reign.

After lives of poverty, applicants for Paradise are surely entitled to a little elegance at the gate; in the same way, after so many years of being hard squeezed by the government, maybe the rich are entitled to a restorative swallow in the luce. I merely speculate, and judge, lest I be judged for behaving like a newspaper columnist.

At the pearly gates, however, I was taught that there was plenty of judgment. There you got the ultimate admissions test. Rejection was even worse than rejection by the Ivy League.

Criteria for admission at the peaty gates varied when I was a child. Some preachers said you had to have a lot of good work to show the examiner. Others said your resume could stand all the good works in the world, and it wouldn't do a bit of good unless you had always faithfully believed.

And, of course, you constantly had to bear in mind the danger of arriving at the gates rich.

The striking aspect of the modern television preachers is the astonishing volume of cash they take in and the unashamedly crass techniques they use to milk the faithful of millions, often in small \$10 and \$20 donations. Their grotesque empires are inflated beyond what is possible for other businesses with comparable cash flow by the fact that they pay no taxes. Lord, how the money rolls in!

Gielen — who will be succeeded by Gary Bertini — attributes part of his success in Frankfurt to the hands-off policy of the conservative city government, which continued its financial support in spite of fluctuating audience levels and press attacks. Another factor was the groundwork laid by Gielen's predecessor, Christoph von Dohnányi, whose eight years in Frankfurt included its share of operatic "scandals."

But the determining factor of the Gielen era appears to have been his belief in the need for a rejuvenation of music theater through modern, abstract methods, and his forging of a team to

further these ideals. His previous experience in Buenos Aires, Vienna, Stockholm and the Netherlands had been fairly traditional. He was seeking an approach beyond what he calls "naturalistic." "What I knew was that I wanted non-traditional theater that would look for the spirit of the music and would translate that and the hidden contents, the real contents of each opera. I learned pretty fast, so at the end of the first season, with Luigi Nono's '*Al gran sole carico d'amore*' I think we had already established a general approach trying to find a means adequate to every piece."

For other 20th-century works, including Bernhard Alois Zimmermann's "*Die Soldaten*," Feruccio Busoni's "*Doktor Faust*," the Janácek opera and others by living composers, the house style won widespread applause, but its application to the pillars of the repertoire provoked controversy. Many of the images in the "*Ring*" production by the East German state director Ruth Bergmann also seem calculated to divide or even mystify.

Gielen's answer is that each person has to grasp any work of art on his own level of appreciation or understanding. "I don't think I can grasp '*La Gioconda*' or '*Faust*' or Milton. So I grasp what is in my reach. Bergmann has developed a whole language of signs which, if you follow the production through from '*Das Rheingold*' to '*Götterdämmerung*', you learn to interpret. All these symbols are deliberately designed to have more than one meaning, and are sufficiently vague and vast for everyone to find their own."

Gielen says his aim in the pit has been to echo the principles underlying the stage production. "The real sound, the nervous system of the music becoming audible is beautiful enough. Often the awareness of the audience to the natural grandeur of the music is enhanced by the way that grandeur is opposed in the stage setting — for example, in the funeral march, by the way the hero's body is unceremoniously kicked

out of the way. We wanted this kind of dialectic to make clear the funeral march is not just about Siegfried the individual, but Siegfried with the aspirations and illustrations Wotan nurtured by creating Siegmund and through him Siegfried — all dead and buried. He believes his exposure to a different cultural environment at such an early age made him more adaptable to change.

With 10 challenging years behind him at Frankfurt and his 60th birthday due in July, he feels the call of fresh challenges, citing the fear of staleness and the strain that twin posts of director and chief conductor of a German opera house places on anyone. He will become chief conductor of the Southwest German Radio Orchestra at Baden-Baden and a professor of conducting at the Salzburg Mozarteum.

Gielen is Austrian by birth and nationality, "consciously Austrian in that there is cultural tradition and heritage from the first Vienna school to the second, and I believe that I belong to both. On the other side, I'm just as Jewish as German, and the mixture makes what I am."

His family fled the Nazis and settled in Argentina when Gielen was 12. Compared with Europe, Buenos Aires was a paradise. Gielen learned Spanish, studied music privately with the best Argentine teachers, and listened to performances by Erich Kleiber and Fritz Busch at the Teatro Colon, where Gielen's father — Josef Gielen, a prominent stage director in operatic and German-language theater — was working. He believes his exposure to a different cultural environment at such an early age made him more adaptable to change.

It was there that he started composing, an activity that has been frozen out by his work load in recent years, apart from a string quartet commissioned by the La Salle Quartet and the public radio station in Cincinnati, where Gielen was chief conductor of the Cincinnati Symphony in the early 1980s. He looks back on Cincinnati as "a good experience," despite having to do a concert program every week regardless of the difficulty of the piece.

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